

**FORM ADV**  
**Part II - Page 1**      **Uniform Application for Investment Adviser Registration**

Name of Investment Adviser:						
Address:	(Number and Street)	(City)	(State)	(Zip Code)	Area Code:	Telephone Number:
(      )						

**This part of Form ADV gives information about the investment adviser and its business for the use of clients.  
The information has not been approved or verified by any governmental authority.**

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(Schedules A, B, C, D, and E are included with Part I of this Form, for the use of regulatory bodies, and are not distributed to clients.)

Potential persons who are to respond to the collection of information contained in this form  
are not required to respond unless the form displays a currently valid OMB control number.

**FORM ADV****Part II - Page 2**

Applicant:

SEC File Number:

Date:

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## Definitions for Part II

Related person -- Any officer, director or partner of applicant or any person directly or indirectly controlling, controlled by, or under common control with the applicant, including any non-clerical, non-ministerial employee.

Investment Supervisory Services -- Giving continuous investment advice to a client (or making investments for the client) based on the individual needs of the client. Individual needs include, for example, the nature of other client assets and the client's personal and family obligations.

**1. A. Advisory Services and Fees.** (check the applicable boxes)

For each type of service provided, state the approximate % of total advisory billings from that service. (See instruction below.)

**Applicant:**

- |  |         |
|--|---------|
| <input type="checkbox"/> (1) Provides investment supervisory services .....  | _____ % |
| <input type="checkbox"/> (2) Manages investment advisory accounts not involving investment supervisory services .....  | _____ % |
| <input type="checkbox"/> (3) Furnishes investment advice through consultations not included in either service described above .....  | _____ % |
| <input type="checkbox"/> (4) Issues periodicals about securities by subscription .....   | _____ % |
| <input type="checkbox"/> (5) Issues special reports about securities not included in any service described above .....   | _____ % |
| <input type="checkbox"/> (6) Issues, not as part of any service described above, any charts, graphs, formulas, or other devices which clients may use to evaluate securities ..... | _____ % |
| <input type="checkbox"/> (7) On more than an occasional basis, furnishes advice to clients on matters not involving securities .....   | _____ % |
| <input type="checkbox"/> (8) Provides a timing service .....   | _____ % |
| <input type="checkbox"/> (9) Furnishes advice about securities in any manner not described above .....   | _____ % |

(Percentages should be based on applicant's last fiscal year. If applicant has not completed its first fiscal year, provide estimates of advisory billings for that year and state that the percentages are estimates.)

- |  |   |
|--|---|
|  | Yes    No   |
| B. Does applicant call any of the services it checked above financial planning or some similar term? ..... | <input type="checkbox"/> <input type="checkbox"/> |

**C. Applicant offers investment advisory services for: (check all that apply)**

- |   |  |
|---|--|
| <input type="checkbox"/> (1) A percentage of assets under management      | <input type="checkbox"/> (4) Subscription fees |
| <input type="checkbox"/> (2) Hourly charges                               | <input type="checkbox"/> (5) Commissions       |
| <input type="checkbox"/> (3) Fixed fees (not including subscription fees) | <input type="checkbox"/> (6) Other             |

**D. For each checked box in A above, describe on Schedule F:**

- the services provided, including the name of any publication or report issued by the adviser on a subscription basis or for a fee
- applicant's basic fee schedule, how fees are charged and whether its fees are negotiable
- when compensation is payable, and if compensation is payable before service is provided, how a client may get a refund or may terminate an investment advisory contract before its expiration date

**2. Types of clients** — Applicant generally provides investment advice to: (check those that apply)

- |  |   |
|--|---|
| <input type="checkbox"/> A. Individuals                      | <input type="checkbox"/> E. Trusts, estates, or charitable organizations                    |
| <input type="checkbox"/> B. Banks or thrift institutions     | <input type="checkbox"/> F. Corporations or business entities other than those listed above |
| <input type="checkbox"/> C. Investment companies             | <input type="checkbox"/> G. Other (describe on Schedule F)                                  |
| <input type="checkbox"/> D. Pension and profit sharing plans |   |

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1).

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**3. Types of Investments.** Applicant offers advice on the following: (check those that apply)

- |   |   |
|---|---|
| <input type="checkbox"/> A. Equity securities                                       | <input type="checkbox"/> H. United States government securities     |
| <input type="checkbox"/> (1) exchange-listed securities                             | <input type="checkbox"/> I. Options contracts on:                   |
| <input type="checkbox"/> (2) securities traded over-the-counter                     | <input type="checkbox"/> (1) securities                             |
| <input type="checkbox"/> (3) foreign issuers  | <input type="checkbox"/> (2) commodities                            |
| <input type="checkbox"/> B. Warrants  | <input type="checkbox"/> J. Futures contracts on:                   |
| <input type="checkbox"/> C. Corporate debt securities (other than commercial paper) | <input type="checkbox"/> (1) tangibles                              |
| <input type="checkbox"/> D. Commercial paper  | <input type="checkbox"/> (2) intangibles                            |
| <input type="checkbox"/> E. Certificates of deposit                                 | <input type="checkbox"/> K. Interests in partnerships investing in: |
| <input type="checkbox"/> F. Municipal securities                                    | <input type="checkbox"/> (1) real estate                            |
| <input type="checkbox"/> G. Investment company securities:                          | <input type="checkbox"/> (2) oil and gas interests                  |
| <input type="checkbox"/> (1) variable life insurance                                | <input type="checkbox"/> (3) other (explain on Schedule F)          |
| <input type="checkbox"/> (2) variable annuities                                     | <input type="checkbox"/> L. Other (explain on Schedule F)           |
| <input type="checkbox"/> (3) mutual fund shares                                     |   |

**4. Methods of Analysis, Sources of Information, and Investment Strategies.****A.** Applicant's security analysis methods include: (check those that apply)

- |  |  |
|--|--|
| (1) <input type="checkbox"/> Charting    | (4) <input type="checkbox"/> Cyclical                      |
| (2) <input type="checkbox"/> Fundamental | (5) <input type="checkbox"/> Other (explain on Schedule F) |
| (3) <input type="checkbox"/> Technical   |  |

**B.** The main sources of information applicant uses include: (check those that apply)

- |  |  |
|--|--|
| (1) <input type="checkbox"/> Financial newspapers and magazines    | (5) <input type="checkbox"/> Timing services   |
| (2) <input type="checkbox"/> Inspections of corporate activities   | (6) <input type="checkbox"/> Annual reports, prospectuses, filings with the Securities and Exchange Commission |
| (3) <input type="checkbox"/> Research materials prepared by others | (7) <input type="checkbox"/> Company press releases  |
| (4) <input type="checkbox"/> Corporate rating services             | (8) <input type="checkbox"/> Other (explain on Schedule F)   |

**C.** The investment strategies used to implement any investment advice given to clients include: (check those that apply)

- |   |  |
|---|--|
| (1) <input type="checkbox"/> Long term purchases<br>(securities held at least a year) | (5) <input type="checkbox"/> Margin transactions   |
| (2) <input type="checkbox"/> Short term purchases<br>(securities sold within a year)  | (6) <input type="checkbox"/> Option writing, including covered options, uncovered options, or spreading strategies |
| (3) <input type="checkbox"/> Trading (securities sold within 30 days)                 | (7) <input type="checkbox"/> Other (explain on Schedule F)   |
| (4) <input type="checkbox"/> Short sales  |  |

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**5. Education and Business Standards.**

Are there any general standards of education or business experience that applicant requires of those involved in determining or giving investment advice to clients? ..... Yes No  
 (If yes, describe these standards on Schedule F.) ☐ ☐

**6. Education and Business Background.**

For:

- each member of the investment committee or group that determines general investment advice to be given to clients, or
- if the applicant has no investment committee or group, each individual who determines general investment advice given to clients (if more than five, respond only for their supervisors)
- each principal executive officer of applicant or each person with similar status or performing similar functions.

On Schedule F, give the:

- name
- year of birth
- formal education after high school
- business background for the preceding five years

**7. Other Business Activities.** (check those that apply)

- ☐ A. Applicant is actively engaged in a business other than giving investment advice.
- ☐ B. Applicant sells products or services other than investment advice to clients.
- ☐ C. The principal business of applicant or its principal executive officers involves something other than providing investment advice.

(For each checked box describe the other activities, including the time spent on them, on Schedule F.)

**8. Other Financial Industry Activities or Affiliations.** (check those that apply)

- ☐ A. Applicant is registered (or has an application pending) as a securities broker-dealer.
- ☐ B. Applicant is registered (or has an application pending) as a futures commission merchant, commodity pool operator or commodity trading adviser.
- C. Applicant has arrangements that are material to its advisory business or its clients with a related person who is a:
- |  |  |
|--|--|
| <input type="checkbox"/> (1) broker-dealer   | <input type="checkbox"/> (7) accounting firm                                       |
| <input type="checkbox"/> (2) investment company  | <input type="checkbox"/> (8) law firm  |
| <input type="checkbox"/> (3) other investment adviser  | <input type="checkbox"/> (9) insurance company or agency                           |
| <input type="checkbox"/> (4) financial planning firm   | <input type="checkbox"/> (10) pension consultant                                   |
| <input type="checkbox"/> (5) commodity pool operator, commodity trading adviser or futures commission merchant | <input type="checkbox"/> (11) real estate broker or dealer                         |
| <input type="checkbox"/> (6) banking or thrift institution   | <input type="checkbox"/> (12) entity that creates or packages limited partnerships |

(For each checked box in C, on Schedule F identify the related person and describe the relationship and the arrangements.)

- D. Is applicant or a related person a general partner in any partnership in which clients are solicited to invest? ..... Yes No  
☐ ☐

(If yes, describe on Schedule F the partnerships and what they invest in.)

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**9. Participation or Interest in Client Transactions.**

Applicant or a related person: (check those that apply)

- ☐ A. As principal, buys securities for itself from or sells securities it owns to any client.
- ☐ B. As broker or agent effects securities transactions for compensation for any client.
- ☐ C. As broker or agent for any person other than a client effects transactions in which client securities are sold to or bought from a brokerage customer.
- ☐ D. Recommends to clients that they buy or sell securities or investment products in which the applicant or a related person has some financial interest.
- ☐ E. Buys or sells for itself securities that it also recommends to clients.

(For each box checked, describe on Schedule F when the applicant or a related person engages in these transactions and what restrictions, internal procedures, or disclosures are used for conflicts of interest in those transactions.)

- 10. Conditions for Managing Accounts.** Does the applicant provide investment supervisory services, manage investment advisory accounts or hold itself out as providing financial planning or some similarly termed services *and* impose a minimum dollar value of Yes No assets or other conditions for starting or maintaining an account? ..... ☐ ☐

(If yes, describe on Schedule F.)

- 11. Review of Accounts.** If applicant provides investment supervisory services, manages investment advisory accounts, or holds itself out as providing financial planning or some similarly termed services:

- A. Describe below the reviews and reviewers of the accounts. **For reviews**, include their frequency, different levels, and triggering factors. **For reviewers**, include the number of reviewers, their titles and functions, instructions they receive from applicant on performing reviews, and number of accounts assigned each.

- B. Describe below the nature and frequency of regular reports to clients on their accounts.

Applicant:

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**12. Investment or Brokerage Discretion.**

A. Does applicant or any related person have authority to determine, without obtaining specific client consent, the:

- |  | Yes                      | No                       |
|--|--------------------------|--------------------------|
| (1) securities to be bought or sold? .....               | <input type="checkbox"/> | <input type="checkbox"/> |
| (2) amount of the securities to be bought or sold? ..... | <input type="checkbox"/> | <input type="checkbox"/> |
| (3) broker or dealer to be used? .....                   | <input type="checkbox"/> | <input type="checkbox"/> |
| (4) commission rates paid? .....                         | <input type="checkbox"/> | <input type="checkbox"/> |

	Yes	No
B. Does applicant or a related person suggest brokers to clients? .....	<input type="checkbox"/>	<input type="checkbox"/>

For each yes answer to A describe on Schedule F any limitations on the authority. For each yes to A(3), A(4) or B, describe on Schedule F the factors considered in selecting brokers and determining the reasonableness of their commissions. If the value of products, research and services given to the applicant or a related person is a factor, describe:

- the products, research and services
- whether clients may pay commissions higher than those obtainable from other brokers in return for those products and services
- whether research is used to service all of applicant's accounts or just those accounts paying for it; and
- any procedures the applicant used during the last fiscal year to direct client transactions to a particular broker in return for products and research services received.

**13. Additional Compensation.**

Does the applicant or a related person have any arrangements, oral or in writing, where it:

- |   |                          |                          |
|---|--------------------------|--------------------------|
| A. is paid cash by or receives some economic benefit (including commissions, equipment or non-research services) from a non-client in connection with giving advice to clients? ..... | Yes                      | No                       |
|   | <input type="checkbox"/> | <input type="checkbox"/> |
| B. directly or indirectly compensates any person for client referrals? .....  | Yes                      | No                       |
|   | <input type="checkbox"/> | <input type="checkbox"/> |

(For each yes, describe the arrangements on Schedule F.)

**14. Balance Sheet.** Applicant must provide a balance sheet for the most recent fiscal year on Schedule G if applicant:

- has custody of client funds or securities; or
- requires prepayment of more than \$500 in fees per client and 6 or more months in advance

	Yes	No
Has applicant provided a Schedule G balance sheet? .....	<input type="checkbox"/>	<input type="checkbox"/>

**Schedule F of  
Form ADV  
Continuation Sheet for Form ADV Part II**

Applicant: Oarsman Capital, Inc.	SEC File Number: 801- 60988	Date: 12/18/2008
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Oarsman Capital, Inc.		IRS Empl. Ident. No.: 39-2004107
Item of Form (identify)	Answer	
1.D.	<p>Oarsman Capital, Inc. ("OCI") is a Wisconsin corporation which was formed in September 2000. The firm's home office is located at 759 North Milwaukee Street, Milwaukee, Wisconsin 53202. The firm specializes in providing both Investment Management Services and Investment/Financial Consulting Services to a broad range of clients as more fully described below. OCI also offers investment advisory services using the name Nackers &amp; Associates, a Division of Oarsman Capital, Inc. ("Nackers") (together "OCI"). Individuals associated with the Adviser are appropriately licensed and authorized to provide advisory services on the Adviser's behalf are known as Investment Adviser Representatives ("IARs").</p> <p>IARs associated with the Nackers &amp; Associates Division may be registered representatives with Waterstone Financial Group ("WFG"), a securities broker-dealer, member FINRA/SIPC.</p> <p><b><u>OCI Investment Management Services.</u></b></p> <p>OCI provides investment advisory and portfolio management services to individual, trust and institutional clients seeking to implement long-term investment programs. OCI constructs and manages for its clients portfolios that comprise one or more of the following investment asset classes: common stocks, debt securities (U.S. Treasury, Government Agency, Corporate and Municipal), mutual funds, exchange traded funds, stock options, and cash equivalents. OCI emphasizes the use of securities it believes are of fundamental quality and, in the case of common stocks, offer growth potential. Investment programs for taxable individual and trust clients emphasize a long-term perspective, tax-efficient strategies and the control of investment risk. Programs for tax-exempt clients seek to achieve, on an annual basis, risk-adjusted returns that are superior to an appropriate market benchmark.</p> <p>In identifying potentially attractive common stocks, OCI seeks well established companies that possess proprietary products and/or services, track records of consistent earnings growth, financial strength, experienced management, and well articulated strategies for future growth. Many such companies are global industry leaders with large market capitalizations. OCI also seeks to invest in stocks with reasonable valuations. In assessing valuation, OCI typically analyzes current and historical data regarding a stock's price/earnings, price/sales, and/or price/book ratios. Discounted-cash-flow approaches are also utilized where appropriate.</p> <p>OCI typically constructs for its clients portfolios whose common stock holdings are broadly diversified among several economic/industry sectors, while at the same time include strategic concentrations intended to benefit from long-term socio-economic trends. For clients seeking exposure to stock investments that fall outside OCI's discipline, OCI invests a portion of client assets in equity mutual funds and/or exchange traded funds whose managers employ an investment approach that differs from that of OCI (e.g., small-company stocks, value-oriented stocks, international stocks).</p> <p>OCI typically invests client assets in stocks with the intention of holding them for an extended time. Accordingly, portfolio turnover is expected to be relatively low. A stock is eliminated from a client's portfolio (sold) if OCI believes the company has lost its fundamental quality or growth potential. A stock position is reduced (trimmed) in a portfolio if OCI believes the stock's valuation more than adequately reflects the company's assessed quality and growth potential. Short-term market-timing strategies are avoided. However, a major change in OCI's market outlook can result in a reallocation of assets among security classes (if permitted by client-established guidelines).</p> <p>OCI invests client assets in U.S. dollar-denominated debt securities primarily to provide a reliable source of portfolio income and to enhance stability of principal. Accordingly, only investment-grade notes and bonds are used, and the average maturity of portfolio holdings generally does not exceed 10</p>	

**Schedule F of  
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Continuation Sheet for Form ADV Part II**

Applicant: Oarsman Capital, Inc.	SEC File Number: 801- 60988	Date: 12/18/2008
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

I. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Oarsman Capital, Inc.		IRS Empl. Ident. No.: 39-2004107																		
Item of Form (identify)	Answer																			
	<p>years. Tax-exempt (municipal) securities are diversified geographically and corporate debt securities are diversified by industry sector. OCI generally holds debt securities for an extended period and portfolio turnover is expected to be relatively low. A debt security may be sold if OCI believes there has been a major reduction in the credit-worthiness of the issuer, if OCI identifies a security deemed more attractive in terms of yield and/or quality, or if a change in OCI's interest rate and/or economic forecast necessitates an adjustment to the portfolio's asset allocation, average maturity, sector allocation (e.g., government vs. corporate), or industry exposure.</p> <p>All accounts are supervised on a continuous basis and transactions are made at the discretion of OCI as the firm strives to meet the client's investment objectives. Unless the client designates otherwise, OCI selects the broker-dealer to process securities transactions.</p> <p><u>Fees for Management Services.</u> If requested, when a client has been notified of such legal proceedings involving securities owned by the client, OCI will work with the client to organize and compile any required documentation to facilitate the filing of any claim. OCI will keep copies of all filed litigation documentation and will provide such documentation to clients upon request.</p> <p>The fees for services are calculated based upon the value of investments in a client's account. All asset-based fees are negotiable and are subject to the following fee schedule:</p> <table border="1"> <thead> <tr> <th></th> <th><u>Annual Rate*</u></th> <th><u>Quarterly</u></th> </tr> </thead> <tbody> <tr> <td>First \$500,000</td> <td>1.0%</td> <td>.250%</td> </tr> <tr> <td>Next \$500,000</td> <td>0.8%</td> <td>.200%</td> </tr> <tr> <td>Next \$2 million</td> <td>0.7%</td> <td>.175%</td> </tr> <tr> <td>Next \$2 million</td> <td>0.6%</td> <td>.150%</td> </tr> <tr> <td>Over \$5 million</td> <td>0.5%</td> <td>.125%</td> </tr> </tbody> </table> <p>*Subject to a minimum account size of \$100,000.</p> <p>Fees for management services are billed in advance generally on a calendar-quarterly basis and at a rate of one-quarter of the annual fee. Fees are based upon the market value of the account as of the last day of the prior quarter. For purposes of valuing assets under management, related accounts will generally be combined for fee calculation purposes. The fee for any period which is less than a full quarter is pro-rated and no adjustment or refund is made with respect to partial withdrawals by a client during any billing period. Fees are billed directly to, and debited from, the Client's account, unless other arrangements for payment are requested by the Client.</p> <p>Clients should be aware that OCI may invest a portion of a client's portfolio in mutual funds. Mutual funds pay advisory fees to their investment advisers, which payments reduce the net asset value of the funds' shares. Additionally, OCI bills clients a fee based on the total value of their portfolios, which may be partly comprised of mutual fund holdings. Therefore, clients whose portfolios include mutual funds pay two levels of advisory fees, one directly to OCI for its management services, and one indirectly to the managers of the funds.</p> <p>Clients who permitted their accounts to be assigned from Nackers &amp; Associates to OCI will continue to pay OCI the fees specified in Nackers &amp; Associates contract and Form ADV, Part II. Those fees will differ from those set out above. The schedule is on page 4.</p>			<u>Annual Rate*</u>	<u>Quarterly</u>	First \$500,000	1.0%	.250%	Next \$500,000	0.8%	.200%	Next \$2 million	0.7%	.175%	Next \$2 million	0.6%	.150%	Over \$5 million	0.5%	.125%
	<u>Annual Rate*</u>	<u>Quarterly</u>																		
First \$500,000	1.0%	.250%																		
Next \$500,000	0.8%	.200%																		
Next \$2 million	0.7%	.175%																		
Next \$2 million	0.6%	.150%																		
Over \$5 million	0.5%	.125%																		
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**Schedule F of  
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Continuation Sheet for Form ADV Part II**

Applicant: Oarsman Capital, Inc.	SEC File Number: 801- 60988	Date: 12/18/2008
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Oarsman Capital, Inc.		IRS Empl. Ident. No.: 39-2004107
Item of Form (identify)	Answer	
	<p>Clients enrolled in wrap fee programs should be aware that depending on the account size and transaction frequency, overall expenses may be higher in such programs when compared with per transaction commission-based pricing.</p> <p>The contract for management services between a client and OCI may be terminated at any time upon 30 days advance written notice from one party to the other.</p> <p><b><u>OCI Investment/Financial Consulting Services.</u></b></p> <p>For clients having smaller portfolios or a need for investment advice involving an analysis of their portfolio or overall financial situation or a specific investment or particular financial situation, OCI provides Investment/Financial Consulting Services. This Service usually includes an analysis of a client's existing assets, investment objectives, investments, cash flows, accumulation of funds for special goals, and tax situation. The scope of OCI's investment advice is as broad or detailed as a client wishes it to be. For clients having a large or highly-diversified securities portfolio, OCI can make asset allocation recommendations which assist a client in arriving at an asset mix designed to achieve the client's investment objectives. For clients with a small amount of cash available to invest or with little investment experience, OCI can make specific investment recommendations, advise clients on possible investments to meet a specific financial need or advise clients on such fundamental investment matters as how to open a brokerage account, buy and sell securities and research and track their investments. To the extent requested by a client, OCI will work with the client's attorney, accountant or other professional adviser while completing the analysis.</p> <p>OCI provides at least one meeting with the client to determine the client's needs and the scope of the consulting services to be provided and sometimes to provide the requested services. Follow-up meetings, if necessary, are usually completed within a short time after an agreement is signed unless the scope of the consulting services require additional time. Written reports are provided only if agreed to in advance between OCI and the Client.</p> <p><b><u>Fees.</u></b> OCI's fee for providing Investment Consulting Services is quoted in advance and is calculated based upon the nature and scope of services requested.</p> <p>The firm's hourly fee ranges from \$75 to \$150 per hour depending upon the scope and complexity of the services requested. Flat fees can also be negotiated and their range will vary depending on the complexity of the services requested. There is a minimum fee of \$200, except where waived by OCI.</p> <p>One half the quoted fee is due at the time the service agreement is signed, with the balance due promptly after work is completed. In the event of contract termination, which can occur upon either Client's or OCI's written notice, unearned prepaid fees are returned to the client and a client is obligated to pay any earned fee not yet paid.</p> <p><b><u>Nackers Investment Management Services.</u></b></p> <p>The Nackers &amp; Associates Division of OCI also provides Investment Management Services to clients wishing to have their investments managed continuously on a discretionary basis. Nackers is available to provide management services to a wide variety of clients including individuals, pension and profit sharing plans, trusts, estates, corporations and other entities. Nackers will also provide services on a nondiscretionary basis.</p>	

**Schedule F of  
Form ADV  
Continuation Sheet for Form ADV Part II**

Applicant: Oarsman Capital, Inc.	SEC File Number: 801- 60988	Date: 12/18/2008
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Oarsman Capital, Inc.		IRS Empl. Ident. No.: 39-2004107												
Item of Form (identify)	Answer													
	<p>Investment Management Services begin by Nackers assisting each new client in determining the client's investment objectives. An IAR then manages each client's investments in a manner consistent with the client's objectives and risk tolerance. Nackers also assists the client in establishing a securities account at a brokerage firm which maintains custody of client securities either directly or with the assistance of its transaction clearing firm. Nackers IARs usually recommend clients establish a brokerage account with WFG and most clients typically do so.</p> <p>Besides managing various types of securities for clients, such as common and preferred stocks, mutual funds, annuity sub-accounts, warrants, rights, bonds, municipal securities, options and government bonds, a portion of the securities in client accounts may be held in cash or cash equivalents, including money market mutual funds.</p> <p>Nackers IARs are inclined to use fundamental analysis when evaluating client securities and making purchases and sales based upon the results of their analysis. They may also consider technical market factors before deciding the appropriate action to take in a client's account. Advice given to any client may differ from advice given, or the timing and nature of the action taken, with respect to other client accounts. Nackers will make a reasonable effort to follow all investment management restrictions and instructions expressed to the firm by a client. Clients are encouraged to call their IAR at any time if they have questions. Services may be terminated by written notice.</p> <p>When an IAR places securities transaction orders, the securities brokerage firm processing the orders furnishes the client with a confirmation of each transaction. Monthly securities account statements are also provided to each client by the client's custodian. Each client receives a quarterly report from Nackers.</p> <p>Nackers does not guarantee the results of its recommendations and losses can occur.</p> <p><u>Fees For Investment Management Services.</u> Fees charged by the Nackers &amp; Associates Division for its Investment Management Services are negotiable and are based upon the value and type of assets being managed. All fees, including the minimum annual fee, may be negotiated but generally conform with the following fee schedule:</p> <table border="1"> <thead> <tr> <th>Type of Account</th> <th>Annual Fee</th> <th>Quarterly Fee</th> </tr> </thead> <tbody> <tr> <td>Fixed Income</td> <td>0.5%</td> <td>.125</td> </tr> <tr> <td>Mutual Funds</td> <td>0.75%</td> <td>.1875</td> </tr> <tr> <td>Equities</td> <td>1.0%</td> <td>.250</td> </tr> </tbody> </table> <p>The type of accounts to which the fee schedule applies are determined between Nackers and Client before services begin.</p> <p>The fees shown above are for Investment Management Services only. Fees do not cover any transaction or other service costs.</p> <p>Fees are calculated as a percentage of Account assets as set forth on the schedule set forth above. Fees are charged three months in advance based upon the account value as of the end of each three month period. Deposits exceeding \$10,000 shall be charged a prorated fee from the date of deposit. Partial withdrawal of funds will not result in any refund of prepaid fees. Upon termination, which can occur by written notice, all unearned prepaid fees are returned to the Client.</p>		Type of Account	Annual Fee	Quarterly Fee	Fixed Income	0.5%	.125	Mutual Funds	0.75%	.1875	Equities	1.0%	.250
Type of Account	Annual Fee	Quarterly Fee												
Fixed Income	0.5%	.125												
Mutual Funds	0.75%	.1875												
Equities	1.0%	.250												
Page 4 of 14[436856.6]														

**Schedule F of  
Form ADV  
Continuation Sheet for Form ADV Part II**

Applicant:

Oarsman Capital, Inc.

SEC File Number:

801- 60988

Date:

12/18/2008

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Oarsman Capital, Inc.		IRS Empl. Ident. No.: 39-2004107
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	<p>Clients should be aware that the schedule above applies to those client accounts which were assigned with client consent, from Nackers &amp; Associates, Inc. To the Nackers &amp; Associates Division of OCI. New clients of the Nackers Division of OCI may be subject to the fee schedule on page 2.</p> <p><b><u>Nackers Investment Consulting Services.</u></b></p> <p>The Nackers Division also provides Investment Consulting Services on an hourly or flat fee basis. Services are performed in the scope requested by a client and usually include an analysis of a client's current investments, investment objectives and risk tolerance followed by recommendations for the sale of existing or purchase of new investments. Consideration is given to risk tolerance, income needs and short and long-term financial objectives. Consulting Services result in a report being provided to a client which may be in writing if requested by the client.</p> <p>After the initial analysis of the client's investment situation is performed and initial advice provided to a client, Nackers makes available ongoing consulting services, also on an hourly or flat fee basis, designed to continue the advisory relationship to implement, update and modify the initial advice provided.</p> <p><b><u>Fees for Consulting Services.</u></b> The Nackers Division's hourly fee for Investment Consulting Services varies from \$150 to \$400 per hour and depends upon the nature and scope of the advice requested by the client, nature and number of investments in a client's portfolio, amount and nature of research required to complete the project and the scope and number of reports requested by a client. Prior to engagement, each client signs an agreement which provides an estimate of the total fee for services. One-half of the fee is due in advance.</p> <p>Flat fees are quoted in advance and range from \$500-\$5,000 depending upon the complexity of the project. One-half of the fee is due in advance.</p> <p>The agreement between Nackers and a client for Consulting Services may be terminated by either party at any time by ten (10) days advance written notice to the other. Any fee due, but not yet paid by a client, is due promptly after termination of the agreement. All unearned fees are returned to the client.</p> <p>The decision to accept any recommendation or advice provided by Nackers and all decisions regarding implementation thereof are left to the client. Clients are free to implement recommended transactions through broker-dealers and service providers other than those recommended by Nackers. Clients are advised to evaluate independently the transaction execution services recommended by Nackers' Representatives, including the reasonableness of any transaction price and commission.</p> <p><b><u>Transaction Execution Services.</u></b> Nackers typically recommends that clients utilize the execution services of Waterstone Financial Group ("WFG") which it believes charges clients competitive commissions on a trade-by-trade basis. Although Nackers believes its advisory fees and the transaction execution commissions of WFG are competitive, Clients may be able to obtain similar services at higher or lower costs if acquired elsewhere.</p> <p><b>CONSIDERATIONS</b></p> <p><b><u>Remuneration Earned by Nackers' IARs.</u></b> Securities and insurance commissions and other fees will be earned by Nackers and the IARs providing advice to the Client on securities and insurance products that</p>	

**Schedule F of  
Form ADV  
Continuation Sheet for Form ADV Part II**

Applicant: Oarsman Capital, Inc.	SEC File Number: 801- 60988	Date: 12/18/2008
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	<p>are purchased through them as licensed securities and insurance agents, thus they have a conflict of interest when recommending a transaction they will receive a commission for if the Client follows the advice.</p> <p>Prospective and existing Clients should be aware that continuing asset-based or other ongoing fee payments (such as 12(b)-1 fees) to an IAR within the Nackers Division stemming from one or more positions in a managed investment account creates a conflict and an inducement for the IAR not to recommend the position(s) be sold since doing so will reduce the IAR's compensation.</p>	
5.	<p><u>Minimum Education and Qualification Standards.</u> Individual IARs who give advice on behalf of the Adviser are generally required to have sufficient education (e.g., a four-year undergraduate degree) and experience in order to competently provide advice. Typically, they also have, or are encouraged to have, the "Chartered Financial Analyst" designation or be enrolled and studying for that professional designation, or have an M.B.A. degree.</p>	
6.	<p><u>Professional Staff.</u></p> <p>OARSMAN CAPITAL</p> <p><b>Robert W. Phelps</b> has been a Principal and Portfolio Manager of OCI since September 2000. Mr. Phelps was a Portfolio Manager and principal with Marietta Investment Partners, LLC from February 2000 until August 2000, and a Portfolio Manager with Investment Management Services, the portfolio management arm of Robert W. Baird &amp; Co., Incorporated from July 1995 until February 2000. He was awarded the Chartered Financial Analyst designation in September 1997. From August 1993 until May 1995, Mr. Phelps was enrolled in the Master of Business Administration program at the University of Iowa. He received his MBA in May 1995. Mr. Phelps was an officer of the Kingsley State Bank of Kingsley, Iowa from September 1986 until August 1993. Mr. Phelps received a B.A. degree in Business Administration from Luther College, Decorah, Iowa in May 1986. Mr. Phelps was born in 1963.</p> <p><b>Alan L. Purintun</b> has been a Principal and Portfolio Manager of OCI since September 2000. Mr. Purintun was a Portfolio Manager and principal with Marietta Investment Partners, LLC from February 2000 until August 2000, and a Portfolio Manager with Investment Management Services, the portfolio management arm of Robert W. Baird &amp; Co., Incorporated, from August 1994 until February 2000. He was awarded the Chartered Financial Analyst designation in September 1997. From September 1992 until June 1994, Mr. Purintun was enrolled at the Amos Tuck School of Business Administration at Dartmouth College. He received his MBA with honors in June 1994. Mr. Purintun was an intelligence officer with the Central Intelligence Agency from January 1987 until August 1992. Mr. Purintun received a B.A. degree, <i>magna cum laude</i>, in history from Yale University in May 1986. Mr. Purintun was born in 1964.</p> <p><b>Brent V. Schneider</b> joined Oarsman Capital as an Investment Adviser in September 2004. Prior to joining Oarsman, Mr. Schneider founded Schneider Group in 1991, a financial planning firm based in Madison, WI. Mr. Schneider ran Schneider Group from 1991 until September 2004. In 1994, Mr. Schneider broadened the scope of his financial planning business by working with Unger Capital Management, Inc., a Registered Investment Adviser based in Madison, Wisconsin. He also was a securities Registered Representative for Harbour Investments, Inc. From 1986 to 1991, Mr. Schneider worked with Fortune 500 companies in the financial and construction industries. Mr. Schneider was awarded the Certified Financial Planner® designation from the College of Financial Planning, Denver CO in September 1997.</p>	
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**Schedule F of  
Form ADV  
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Applicant: Oarsman Capital, Inc.	SEC File Number: 801- 60988	Date: 12/18/2008
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

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	<p>Mr. Schneider received a bachelor's degree in Business Management from Luther College, Decorah, Iowa in May 1986. Mr. Schneider was born in 1963.</p> <p><b>Benjamin J. Kebbekus</b> has been a Research Analyst with OCI since August 2004. Mr. Kebbekus was a Financial Analyst with Cedar Creek Partners, LLC from July 2002 until July 2004, and a Financial Analyst with Fiduciary Real Estate Development, Inc. from September 2001 to May 2002. From August 2001 until December 2003, Mr. Kebbekus was enrolled in the Master of Business Administration program at the University of Wisconsin-Milwaukee. He received his MBA in December 2003. Mr. Kebbekus was a Financial Adviser at PaineWebber, Inc. from January 1999 until July 2001. Mr. Kebbekus received his B.A. degree in Finance in December 1998 from the University of Wisconsin-Milwaukee. Mr. Kebbekus was born in 1976.</p> <p><b>NACKERS DIVISION</b></p> <p><b>Thomas Henry Nackers</b>, was with Nackers &amp; Associates, Inc. from 1992 to 2009, and its President since 1997. He is currently a Portfolio Manager and part of the Investment Committee for Nackers &amp; Associates, a Division of Oarsman Capital, Inc. From 1988 to the present, Mr. Nackers has been a Principal of Investment Designers, Inc. He was also previously Vice President with Kidder Peabody from 1984 to 1988, Assistant Vice President with Smith Barney from 1981 to 1984 and a Teacher with the Cudahy Public School System from 1971 to 1981. He received his B.S. in Business Education from the University of Wisconsin, Whitewater in 1972, followed by an M.S. in Education also from the University of Wisconsin, Whitewater. He has passed various FINRA examinations including General Securities Principal and Financial Operations Principal as well as holding the designation of Certified Financial Planner. Mr. Nackers was born December 31, 1948.</p> <p><b>Gerald Wayne Nackers</b>, has been an Investment Adviser Representative with Nackers &amp; Associates since 1992, and continues on in that capacity currently with Nackers &amp; Associates, a Division of Oarsman Capital, Inc, as well as being part of the Investment Committee for Nackers. He was previously an Investment Adviser Representative with Investment Designers, Inc., from 1991 to 2003, worked in sales for Prudential Insurance from 1990 to 1991 and was an Operator with Neenah Printing from 1985 to 1989. Mr. Nackers has passed various FINRA examinations, including General Securities Principal and Municipal Securities Principal. Mr. Nackers was born March 29, 1967.</p>	
7.A. and 7.C.	<p><b><u>Other Business Activities.</u></b></p> <p>Although the IARs at Nackers are available to provide investment management services, they are also Registered Representatives of WFG, a broker-dealer and registered as insurance agents. The majority of each IAR's time is spent on investment management matters, while the balance of their time is spent processing and supervising securities transactions and offering and selling insurance products, including fixed annuities, life insurance and long-term care policies.</p>	
8.C.(1)	<p><b><u>Business Affiliations.</u></b></p> <p>As described above, IARs of Nackers are licensed as securities agents for WFG, a securities broker-dealer, which Nackers recommends be used for all securities transactions placed by the Nackers Division..</p>	
8.D.	<p><b><u>Manager Status.</u></b> Mr. Phelps is the Manager of Blade Ventures, LLC ("Blade"). Some clients have also invested through Blade and are Members of Blade.</p>	
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**Schedule F of  
Form ADV  
Continuation Sheet for Form ADV Part II**

Applicant: Oarsman Capital, Inc.	SEC File Number: 801- 60988	Date: 12/18/2008
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9.E.	<p><b>Interest in Client Transactions.</b> OCI, or its officers, directors, portfolio managers and employees may invest in the same securities that are the subject of investment advice to clients. OCI has established a Code of Ethics applicable to all persons at the firm who have access to confidential client records or to recommendations being made for client accounts. Designed to prevent conflicts of interest between the financial interest of clients and the interests of OCI's staff, the Code requires such "access persons" to obtain preapproval of certain securities transactions, to report transactions quarterly and to report all securities positions in which they have a beneficial interest at least annually. These reporting requirements allow supervisors at OCI to determine whether to allow or prohibit certain employee securities trades based on transactions made, or anticipated to be made, in the same securities for Client accounts. The Code also establishes certain bookkeeping requirements relating to the new internal reporting rules. The Code is required to be reviewed annually and updated as necessary. A complete copy of the firm's Code is available upon request.</p> <p>If WFG is selected by a client as the client's broker-dealer, it will receive revenue from each securities transaction it processes for the Client's account. Because the IARs of Nackers who give advice are also licensed brokers for WFG, both Nackers and its IARs have conflicts of interest when they (1) recommend WFG's brokerage services, and (2) determine, on a discretionary basis, the number, kind and amount of securities trades to process through WFG since such determinations influence the amount of revenue earned by WFG and IARs.</p> <p>Mr. Phelps is currently the Managing Member of Blade Ventures, LLC, a company that makes investment purchases for its Members. As a Member, Mr. Phelps also has a minority equity interest in Blade Ventures. Other Members of Blade Ventures are also clients of OCI. This business venture with clients may give Mr. Phelps an incentive to favor those clients over other OCI clients.</p>	
10.	<p><b>Conditions for Managing Accounts.</b> OCI may impose a minimum account size of \$100,000 for accounts receiving Investment Management Services. However, this minimum may be waived at the Adviser's discretion.</p> <p>OCI may also charge a minimum fee to accounts receiving account management or consulting services. The minimum is determined at contract signing.</p>	
11.A. and B.	<p><b>Reviews and Reports.</b> Managed accounts with OCI are reviewed regularly (generally at least monthly) by OCI's portfolio managers. Factors triggering more frequent reviews may be current market changes, general economic conditions, favorable or unfavorable public news about a security or issuer, or requests by a client for a special review. There are no fixed limits on the number of accounts assigned to any portfolio manager.</p> <p>At least quarterly, each account with Nackers is reviewed regularly by one or more of the persons listed under Item 6 to this Schedule F. Accounts are reviewed for asset allocation and security holdings; these issues are compared to the general objective of the account(s) and any specific "written requests" a particular account wishes Nackers to consider. Day-to-day monitoring includes, but is not limited to, asset allocation, security and sector concentrations and relative credit quality of debt securities.</p> <p>Client accounts receiving Investment Consulting Services with OCI are usually not subject to review after services are completed.</p> <p>Client accounts receiving Consulting Services through the Nackers Division are reviewed in the scope and frequency requested by the Client.</p>	
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**Schedule F of  
Form ADV  
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Applicant: Oarsman Capital, Inc.	SEC File Number: 801- 60988	Date: 12/18/2008
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12.	<p>OCI provides written reports on a quarterly basis to accounts under OCI's discretionary investment management. These reports generally include cost and market value of the assets in the client's portfolio, as well as total return and current yield information. These reports are retained by OCI and used during meetings with clients, which are not generally regularly scheduled but may be arranged by OCI and the client from time to time.</p> <p>Clients receiving management services from the Nackers Division will receive an Account Summary detailing quarterly and year-to-date performance data and monthly information regarding all investment transactions and account holdings is provided by the custodian holding the securities.</p> <p>Accounts receiving Investment Consulting Services generally will not receive written reports except to the extent mutually agreed upon by the client and the Adviser.</p> <p><u>Use of Discretion.</u> As mentioned above, OCI, including the Nackers Division, has full discretionary authority granted by managed accounts to purchase and sell securities at will. OCI may, under certain circumstances, manage client accounts on a nondiscretionary basis. In most cases, clients agree to the designation of a securities broker-dealer recommended by the Adviser before any transactions are placed by OCI for the client.</p> <p>No discretionary authority is granted or exercised in accounts receiving Investment Consulting Services.</p> <p>Nackers will usually recommend that their clients establish custodial accounts with WFG.</p> <p>Other broker-dealers are chosen to execute transactions for OCI because of their execution capability, participation in underwritings, availability to call with timely quotations and pertinent news such as dividend declarations, and because of the value of their research services. Research services include reports on industries and individual companies, economic reports, historical charts giving the price action of stocks and averages, technical analysis reports and bond call and rating reports.</p> <p>OCI will generally seek to obtain the best execution at the best security price available with respect to each transaction. The best price means the best net price without regard to the specific sales price and specific commission. OCI will seek reasonably competitive commission rates. However, accounts may not necessarily pay the lowest available commission.</p> <p>Under certain circumstances, OCI may cause an account to pay a broker-dealer a higher commission than obtainable elsewhere because of the research services supplied by that broker-dealer. Higher commissions will not be paid unless OCI determines that the amount is reasonable in relation to the services in terms of a particular transaction or OCI's overall responsibilities with respect to client accounts, such commission payments are made in compliance with applicable state and federal laws, and total commissions paid by the clients either alone, or in aggregate with other accounts are reasonable in relation to benefits obtained.</p> <p>Clients should be aware that their accounts may incur transaction costs in addition to any commissions charged by their custodian broker when transactions occur in over-the-counter securities on an agency basis. Also, brokerage firm custody of a client's assets may limit or eliminate OCI's ability to obtain best price and execution.</p> <p>OCI may also "batch" customer orders so that similar transactions in the same security for a number of accounts are combined resulting in one larger order being placed to receive the price and commission benefits.</p>	

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13.A.	<p>OCI, including the Nackers Division, will seek to allocate portfolio transactions equitably whenever decisions are made to purchase or sell securities for more than one client account in one or more aggregated orders. In making the decisions on how to allocate, OCI considers client's investment objectives, size of the portfolio holdings of the same or comparable securities, the availability of cash for investment and the size of investment commitments generally. The cost for any one account may not be reduced because of allocation procedures, such as average share pricing.</p> <p>Clients should be aware that designation of a single broker-dealer, including WFG, for execution of securities transactions may not allow OCI to receive research from other broker-dealers in return for commission business, to combine transaction orders with those of other Clients for volume commission discounts, or to allow OCI to exercise discretion to evaluate the quality of execution services and commissions of other broker-dealers. Thus, designating a single broker-dealer, including WFG, may not result in best price or execution of Client transactions.</p> <p><u>Receipt of Services.</u> OCI has entered into a contract with Frank Russell Investment Management Company ("FRIMCo"), which is a Washington corporation registered under the Investment Advisers Act of 1940. The contract assumes that OCI will recommend to its clients, consistent with OCI's fiduciary duties, financial products, including FRIMCo funds, that are administered or advised by FRIMCo or its affiliated companies.</p> <p>Pursuant to this contractual arrangement, among other things:</p> <p>A. FRIMCo agrees to cause its subsidiaries, Frank Russell Fund Distributors, Inc. ("RFD"), a member of the National Association of Securities Dealers, Inc., and a registered broker-dealer under Section 15(a) of the Securities Exchange Act of 1934, to distribute shares of mutual funds and other financial service products issued by entities advise by or administered by FRIMCo to investment advisory clients of OCI.</p> <p>B. FRIMCo has also agreed to license the use of the Frank Russell name to OCI for use in connection with its investment advisory services.</p> <p>C. OCI has agreed to invest some client funds in FRIMCo financial products, including Russell Mutual Funds, advised or administered by FRIMCo or its affiliated companies.</p> <p>The contractual arrangements are designed to provide a convenient and efficient method for the investment advisory clients of OCI to be invested in financial products using asset allocation and multi-manager and multi-style techniques generally unavailable to clients of investment advisers. OCI receives no commissions or fees from FRIMCo for recommending these financial products. However, FRIMCo does provide specialized software and account reporting capabilities to OCI which help support OCI's advisory services to its clients. Because of this business relationship, an inherent conflict of interest exists in that recommending other forms of financial products would not result in OCI receiving such services from FRIMCo or being able to use FRIMCo's name in its marketing efforts.</p>	
13.B	<p><u>Payments to Others.</u> From time to time, OCI may pay solicitation fees to client referrals in accordance with Rule 206(4)-3 under the Investment Advisers Act of 1940, as amended. These fees will be paid from OCI's client fee revenues. However, client fees will not be increased as a result. Disclosure of these referred fee arrangements will be made in advance of a client signing a services contract.</p>	
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**Schedule F of  
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	<p><b><u>Notice Regarding Treatment of Confidential Information</u></b></p> <p>Privacy Notice To Our Clients. OCI strongly believes in protecting the confidentiality and security of information we collect about you. This notice describes our privacy policy and describes how we treat the information we receive about you.</p> <p>Why We Collect And How We Use Information. When we evaluate your request for our services, provide investment advice to you and process transactions for your account, you typically provide us with certain personal information necessary for these transactions. We may also use that information to offer you other services we provide which may meet your investment needs.</p> <p>What Information We Collect. The personal information we collect may include:</p> <ul style="list-style-type: none"> <li>• Name and address;</li> <li>• Social Security or taxpayer identification number;</li> <li>• Assets;</li> <li>• Income;</li> <li>• Account balance;</li> <li>• Investment activity; and</li> <li>• Accounts at other institutions.</li> </ul> <p>How We Protect Information. We do not sell your personal information to anyone.</p> <p>We treat information about current and former clients and their accounts in a confidential manner. Our employees may access information and provide it to third parties only when completing a transaction at your request or providing our other services to you.</p> <p>At your request, we may disclose information to accountants, lawyers, securities professionals and others to assist us, or them, in providing services to you. We may also share information with companies that perform services on our behalf, such as the companies that we hire to perform marketing or administrative services. Companies we may hire to provide support services are not allowed to use your personal information for their own purposes. We may make additional disclosures as permitted by law.</p> <p>We also maintain physical, electronic, and procedural safeguards to protect information. Employees and our professional service representatives are required to comply with our established information confidentiality provisions.</p> <p>Access to And Correction of Information. Generally, upon your written request, we will make available information for your review. Information collected in connection with, or in anticipation of, any claim or legal proceeding will not be made available.</p>	

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	<p>If your personal information with us becomes inaccurate, or if you need to make a change to that information, please contact us at the number shown below so we can update our records.</p> <p>Further Information. For additional information regarding our privacy policy, please contact us by writing to us at 759 North Milwaukee Street, Milwaukee, Wisconsin 53202, or calling (414) 221-0081.</p>	
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Complete amended pages in full, circle amended items and file with execution page (page 1).

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1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Oarsman Capital, Inc.		IRS Empl. Ident. No.: 39-2004107
Item of Form (identify)	Answer	
	<p><b><u>Proxy Voting and Legal Action Policies</u></b></p> <p>The following information summarizes OCI's Policy and Procedures regarding how OCI votes proxies when providing advisory services to its clients.</p> <p><b><u>Guiding Principles.</u></b> OCI's Policies and Procedures relating to voting proxies are designed to ensure that proxies are voted in the best interests of clients. The Policies and Procedures do not apply to those situations where the client has retained voting discretion. In those situations, OCI will assist the client with questions about the proxy or voting procedure. When exercising voting authority, OCI will abide by specific voting guidelines on certain policy issues as requested by the client on a case-by-case basis.</p> <p><b><u>Primary Objective.</u></b> In general, proxies will be voted in a manner designed to maximize the value of client investments. In evaluating a particular proxy proposal, OCI will take into consideration, among other things, the period of time over which the voting shares of the company are expected to be held, the size of the position, the costs involved in the proxy proposal and the existing governance documents of the affected company, as well as its management and operations. Proxy proposals that change the existing status of a company will be reviewed to evaluate the desirability of the change, and to determine the benefits to the company and its shareholders, but OCI's primary objective is always to protect and enhance the economic interests of its clients.</p> <p>Generally, it is OCI's policy to vote in accordance with management's recommendations on most issues since the capability of management is one of the criteria used by OCI in selecting stocks.</p> <p><b><u>Exceptions.</u></b> When OCI believes management is acting on its own behalf, instead of on behalf of the well-being of the company and its shareholders, or when OCI believes that management is acting in a manner that is adverse to the rights of the company's shareholders, OCI will take steps to represent the interests of its clients and, as a result, may elect to vote against management's recommendations.</p> <p>In situations where OCI is extremely displeased with management's performance, it may withhold votes or vote against management's slate of directors and other management proposals as a means of communicating its dissatisfaction. This occasion most often develops when OCI believes that management has displayed a consistent inability or lack of interest in moving the company toward achieving its potential and that a message needs to be sent that the company's shareholders are not satisfied with the status quo.</p> <p><b><u>Other Factors OCI Considers.</u></b> OCI recognizes that the activity or inactivity of a company with respect to matters of social, political or environmental concern may have an effect upon the economic success of the company and the value of its securities. However, OCI does not consider it appropriate, or in the interests of its clients, to impose its own moral standards on others. Therefore, it normally supports management's position on matters of social, political or environmental concern, except where it believes that a different position would be in the economic interests of company shareholders.</p> <p><b><u>Conflicts.</u></b> In evaluating a proxy proposal, the President, or the President's designee, is responsible for considering whether there are any circumstances that may give rise to a conflict of interest on the part of OCI in connection with voting client proxies either because of a business relationship between OCI and the company or otherwise.</p> <p><b><u>Voting Procedures.</u></b> All proxy proposals are voted on an individual basis. In general, when a conflict exists, the President, based on the advice of legal or other competent counsel, determines whether the proxy may be voted by OCI or whether it should be referred to the client (or another fiduciary of the client) for voting purposes. Alternatively, OCI may consult directly with a client to obtain the client's consent before voting</p>	

**Schedule F of  
Form ADV  
Continuation Sheet for Form ADV Part II**

Applicant:

Oarsman Capital, Inc.

SEC File Number:

801- 60988

Date:

12/18/2008

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Oarsman Capital, Inc.		IRS Empl. Ident. No.: 39-2004107
Item of Form (identify)	Answer	
	<p>the proxies. OCI will not refrain from voting proxies just because a conflict exists because OCI has a fiduciary duty to take action on all proxies.</p> <p><u>How To Obtain More Information.</u> For additional information regarding OCI's proxy voting policies and procedures, please contact us by writing to us at 759 Milwaukee Street, Milwaukee, Wisconsin 53202, or calling (414) 221-0081.</p> <p><u>Legal Actions.</u> Unless specifically requested to do so by a client, OCI will generally not actively pursue or join class action lawsuits brought against companies in which clients may have an investment.</p>	
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Complete amended pages in full, circle amended items and file with execution page (page 1).