

**Item 1: Cover Page for Part 2A of Form
ADV: Firm Brochure
February 2015**



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This Brochure provides information about the qualifications and business practices of Kahler Financial Group, Inc. If you have any questions about the contents of this brochure, please contact us at (605) 343-1400 or info@kahlerfinancial.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any State Securities Authority.

Additional information about Kahler Financial Group, Inc. is also available on the SEC's website at www.adviserinfo.sec.gov.

Please note that the use of the term "registered investment adviser" and description of Kahler Financial Group, Inc. and/or our associates as "registered" does not imply a certain level of skill or training. You are encouraged to review this Brochure and Brochure Supplements for additional information on the qualifications of our firm and its associates who advise you.

Item 2: Material Changes

Kahler Financial Group, Inc. is required to advise you of any material changes to our Firm Brochure ("Brochure") from our last annual update, identify those changes on the cover page of our Brochure or on the page immediately following the cover page, or in a separate communication accompanying our Brochure. We must state clearly that we are discussing only material changes since the last annual update of our Brochure, and we must provide the date of the last annual update of our Brochure.

The last annual update to our Brochure was filed on February 5, 2015.

We have no material changes to disclose at this time.

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Item 4: Advisory Business

Kahler Financial Group's core purpose is to transform the financial and emotional well-being of people. Our firm is a corporation formed under the laws of the State of South Dakota and has been in business as an investment adviser since 1983. First American Trust (a private trust) owns one hundred percent (100%) of the stock of the firm. We manage \$196,400,000 on a discretionary basis and \$0 on a non-discretionary basis as of December 31, 2014. We are an independent, client-centered, fee-only financial planning firm that does not sell investment products. We do not receive compensation from third parties, such as a mutual fund or insurance company. Our advice is objective and there are no undisclosed conflicts of interest. We work solely for you. We charge a percentage on your investment assets, including: investment accounts, businesses, and investment real estate.

We help business owners, professionals, retirees, and families make good financial decisions by integrating the nuts and bolts of financial planning with what you think, feel, and believe about money. We call this the "blending" of our emotions and beliefs about finance with the mechanical aspect of integrated financial planning. We do that by:

1. Putting our clients first
2. Guiding clients to reach a destination in an unfamiliar area
3. Giving sound advice and creative solutions
4. Constantly educating ourselves
5. Personally practicing what we preach
6. Taking clients only where we have gone ourselves
7. Being serial innovators
8. Taking personal responsibility for our actions and contributions

We work best with people who recognize that big goals happen by making small changes and have a willingness to change behavior to further their long-term goals. They have realistic investment expectations and are able to ignore the investment 'du jour' as touted by the financial press. Most are affluent or becoming affluent and have the ability to save a portion of their income. Some have complex tax, investment, and other planning needs.

We offer specialization in our core area of competence and utilize other professionals when specialization is needed in other areas such as legal, psychological, or accounting. Ongoing planning reviews, workshops, study groups, teleclasses, and special events help both new and existing clients feel part of our community.

We may offer an initial complimentary consultation to review your interests, needs and objectives, and to discuss the services available. Advisory services are initiated only after you have executed an Engagement Agreement and a Retainer Agreement with us.

We specialize in the following types of services:

- Integrated financial planning for individuals
- Investment portfolio management
- Specialized problem-solving and analysis of complex financial issues
- Estate and tax planning strategies
- Strategies for gaining financial independence
- Cash flow and budget analysis
- Mortgage analysis and refinancing decisions
- Business planning, including succession planning
- Asset protection strategies

Our integrated financial planning is supported by a four step process: *Discovery*; *Design*; *Implementation*; and *Maintenance*. The process is described below.

DATA GATHERING & DISCOVERY

Our Data Gathering and Discovery process involves a series of interviews and exercises. Our Data Gathering process asks you to provide us with all your financial documents and statements. The process is fairly simple with no long forms to fill out. We will request input and information from you, including historical financial information, present financial condition and account information, and your investment history and experience. The information we request may vary, depending upon the individual needs and objectives that you express to us or that we may discover in our interviews with you. You will just send us your documents and statements; we will scan them into our software and return them to you. We treat the information given to us by you as reliable and current. We will also request the names and relationships of other trusted advisors (i.e., attorney, accountant, banker, etc.). It is important to note that your other trusted advisors may bill you for assisting us in gathering pertinent information. Kahler Financial Group will not be responsible for these fees.

Our Discovery process goes beyond compiling all your financial documents and statements, which is the first step of the process. This second aspect is uniquely designed to help you identify your values, goals and priorities, and how they relate to your finances. This discovery session focuses on what matters to you – your beliefs about money, your unique history with money, your values, and your dreams. It helps you bring into focus an action plan for the life you want to be living, as opposed to the life you are living.

DESIGN

This part of the process is where we help you define the solutions that will enable you to achieve your goals. Based upon the collected data in the Data Gathering and Discovery process, we give you a choice of options that present solutions to accomplish your objectives. We do this through a series of meetings where we conduct dialogue and education on solutions. We identify the actions necessary to bring your goals into reality. The most common results from this process are recommendations for an appropriate cash flow plan, an investment plan, a plan for financial independence, asset protection and risk management, estate and tax planning, and financial coaching.

Cash flow planning addresses the issue of organizing and monitoring your cash flow. It helps you understand where your money is going and how to manage your spending.

Investment planning and management starts with a review of your current investment portfolio and an analysis of its ability to help you achieve your authentic goals presented during the Discovery portion of the process. The review involves selecting asset classes, sub classes, and specific securities within those classes. We believe good asset allocation will consist of a variety of appropriately selected asset classes. Both our experience and academic research has shown that the majority of portfolio returns are the result of the asset allocation decision and not market timing or individual security selection.

Planning for financial independence takes a detailed look at your post-employment cash flow projections that are a result of taking into account all potential sources of post-employment income, company retirement plan options, and the best strategies for maximizing assets to be used for your needs when you are no longer earning a salary.

Asset protection and risk management are an important part of the financial planning process, designed to reduce risk to acceptable levels. This planning helps protect you from catastrophe or a frivolous lawsuit. It includes a review of all types of insurance coverage to ensure that you have the appropriate levels of coverage.

Estate and tax planning is important to improving your wealth building efficiency and helping you transfer your lifetime assets according to your wishes. An appropriate estate plan can help you minimize the time it takes to distribute your estate and minimize your federal taxes. We provide assistance in working with your accountant and attorney to establish your plan.

Financial coaching helps you identify and remove the financial and emotional barriers that may be blocking your progress, and to track and implement the goals and dreams you identified in the discovery process. Financial coaching is extremely helpful in helping you understand your emotional responses to market lows and highs and prevent you from sabotaging your financial future by “buying high” and “selling low”. Financial coaching is also helpful in successfully negotiating difficult life transitions such as retirement, marriage, the birth of a child, divorce, or the death of a loved one.

IMPLEMENTATION

In the Implementation process, we assist you to take action for all of your decisions and coordinate them with all of your advisers. We communicate with your accountant and your attorney (if you have directed us to do so) to implement your specific plan. We execute the portfolio design that you’ve selected, helping you to liquidate and acquire securities and managers we’ve identified in the plan.

MAINTENANCE

We believe integrated financial planning is dynamic, ever changing, and never complete. The maintenance process includes the on-going oversight of your goal implementation. Some services like investment planning, planning for financial independence, cash flow management, estate planning, financial coaching or tax planning are ongoing or completed over a longer period of time.

We hold periodic meetings with a minimum of an annual meeting. The number of meetings per year depends upon the complexity of your needs in any one year. More complex client needs indicate more frequent meetings. In our meetings we focus on the issues you identify as important and a continuous review of all the components of your changing financial needs. These meetings often include, but will not be limited to, an investment review, a review of your goals, reviewing your progress toward creating financial independence, an estate planning review, and a tax strategy review.

We usually do not allow you to impose restrictions on investing in certain securities or types of securities due to the level of difficulty this would entail in managing your account. We do not offer wrap fee programs.

Item 5: Fees & Compensation

Below we describe fees and fund expenses so you will know exactly how much we charge for the advisory services provided to you. Fees are typically not negotiable, however, we reserve the right to discount advisory fees based on the scope and complexity (or lack thereof) of the engagement.

Because our firm's primary focus is the discovery, design, and review of your financial plan, we charge our fees based on the total asset value of your investment assets under our advisement. This by definition excludes personal assets like primary residence, vehicles, and other personal property. Since our service includes integrated financial planning, we implement the plan we create with no additional expense to you. We may occasionally provide clients with investment advice and management of investments without our extensive financial planning and coaching for the same fee schedule below.

Assets Under Advisement	Annual Retainer Fee
First \$1,000,000	1.00%
Next \$1,000,000	0.75%
Next \$3,000,000	0.50%
Assets over \$5,000,000	0.30%
Illiquid assets (e.g. real estate, businesses)	0.20%

For illiquid investment assets like real estate, registered stock, directly held mortgages, and businesses, we charge based on the total value of those assets and do not offset any liability.

We have a one-time data-gathering and design fee of up to 50% of the annual retainer fee. Our minimum quarterly fee is \$1,875. The one-time data-gathering and design fee, and the first quarterly fee are due at the beginning of the engagement. Thereafter, asset retainer fees are due quarterly in arrears. Asset retainer fees are established annually based on the assets under advisement as of October 31st of the previous year.

We generally rebalance portfolios held at TD Ameritrade weekly. We rebalance employer controlled retirement portfolios held away from TD Ameritrade annually. We need timely information on assets held away from TD Ameritrade. Assets, on which you do not provide Kahler Financial Group with automatic and timely updated statements, will not be included in any asset allocations, financial statements, or reports. This significantly slows down our internal process and the quality of advice you receive from us.

Because we calculate our retainer fee on a percentage of your investment assets, there exists a potential conflict of interest regarding advice given by us since our revenues are directly impacted by the size of your portfolio. While we pledge that your best interests are our highest priority, we feel compelled to disclose that charging fees based on a percentage of your assets poses a potential conflict of interest when it comes to establishing the value of illiquid assets such as real estate and business interests. There is also a potential conflict of interest if you decide to convert investment assets, on which we charge a fee, to personal assets, on which we don't charge a fee.

Other services not listed above will be billed on an hourly basis at \$495 per hour. A project fee may be quoted based upon the time and effort required. The total fee and services to be provided are agreed upon at the time of engagement. Project fees will vary based upon the amount of time we incur for the project, in addition to the nature and complexity of services.

We will automatically deduct fees from one of your managed accounts. If you are a business owner or if you do not have an account large enough to pay fees, and upon your direction, we will send a quarterly invoice to you or your business.

As part of this process, you understand and acknowledge the following:

- a) Your independent custodian sends statements at least quarterly to you showing all disbursements from your account, including the amount of the retainer fees paid.
- b) You provide authorization permitting us to be directly paid by these terms.

You will incur transaction charges for trades executed in your accounts. These transaction fees are separate from our retainer fees. Also, you will pay the following separately incurred expenses, which we do not receive any part of: charges imposed directly by a mutual fund, index fund, or exchange traded fund which shall be disclosed in the fund's prospectus (i.e., fund management fees and other fund expenses).

Our firm's annual retainer fees are billed on a quarterly basis in arrears. Since we are billing in arrears, our invoices are due and payable when received.

If you wish to terminate our advisory services, you need to provide a 30 days' notice in writing and state that you wish to cancel this Agreement. Upon receipt of your letter of termination, we will proceed to close out your account and charge you a pro-rata retainer fee(s) for services rendered up to the point of termination.

We do not sell securities or receive any commissions. In order to sell securities for a commission, we would need to have our associated persons licensed with FINRA and registered with a broker-dealer. We have chosen not to do so because we feel strongly it would be difficult to maintain unbiased and objective financial advice if we were to receive commissions from product sales.

We do not hold any insurance licenses. When reviewing insurance products for clients, we rely on information given to us by your insurance agent. From time to time, we may request (with your permission and direction) analysis, quotes, and recommendations from licensed insurance agents and brokers whom we trust or have done business with in the past. We receive no compensation, directly or indirectly from any insurance product you may purchase from any insurance agent or broker.

Item 6: Performance-Based Fees & Side-By-Side Management

We do not charge performance fees.

Item 7: Types of Clients & Account Requirements

Types of clients we typically provide our services to include Individuals, High Net-Worth Individuals (clients with over \$1,000,000 of investible assets), Trusts, Estates and Charitable Organizations.

Our requirements for opening and maintaining accounts or otherwise engaging us:

- We require a minimum quarterly fee of \$1,875. New clients pay an initial data-gathering and design fee which is less than or equal to the first two quarterly retainer fees.
- We reserve the right to decline services to any person or firm. We reserve the right to terminate services to any client with a 30 day notice. We may waive the minimum fee where special circumstances exist. For example, the fee may be waived when pre-existing relationships exist, for friends or family members, or family members of clients.

Item 8: Methods of Analysis, Investment Strategies & Risk of Loss

We choose assets for your portfolio based on your needs, economic conditions, your liquidity needs, proposed investment period, need for diversification, and importance of current income affects our choices. In addition, we take into consideration your risk tolerance, your present and anticipated tax situation, as well as the investment's historical yield and potential appreciation and marketability. We rely on the information provided by the client and we are not obligated to verify the accuracy of information or reports provided.

Investment strategies used to implement investment advice are generally long-term in nature and primarily utilize a "constant-weighting asset allocation" philosophy. Investment strategies may include short-term purchases depending upon the individual needs and objectives of the client. All proposed investment strategies are closely evaluated, in advance, to insure they are in keeping with the client's stated/ written investment policy or directives.

We recommend and manage many types of assets, including exchange-listed securities, mutual fund shares, corporate debt, US government securities, real estate, limited partnerships, variable annuities, and certificates of deposit. The process we use in making investment choices includes looking at markets and industries using charting, fundamental, technical, and cyclical analysis. Our information is gathered from a variety of sources including research organizations, professional publications, mutual fund and corporate rating services, prospectuses, financial newspapers and magazines, and annual reports.

At its heart, asset allocation seeks to achieve the most efficient diversification of assets, so as to help lessen risk and volatility, while not sacrificing the effectiveness of the portfolio in an effort to yield the client's stated objectives. Since we believe that risk reduction is a key element to long-term investment success, asset allocation principles are a key part of our overall approach in preparing advice for you.

A key element of our investment philosophy is the percentage allocation among up to ten asset classes: US Stocks, Foreign Stocks, US Bonds, TIPS, High Yield Bonds, Foreign Bonds, Cash, REITS, Natural Resources, Absolute Returns, and Managed Futures. The percentage allocations are designed with each individual client's goals and risk tolerance in mind. Our investment management services include the following:

- Designing and implementing an appropriate asset allocation plan
- Identifying specific assets and investment managers within each asset category
- Developing a written Investment Policy Statement
- Monitoring the performance of all selected assets
- Recommending changes to the client's Investment Policy Statement
- Re-balancing the portfolio when appropriate
- Being available to meet with the client periodically
- Tax-loss or gain harvesting
- Preparing and presenting appropriate reports

We are obligated, as a fiduciary, to provide the best possible execution of securities transactions for you under the circumstances of the particular transaction. We must execute individual securities transactions for you in such a manner that your total costs or proceeds in each transaction are the most favorable under the circumstances.

Fees associated with services of our third party custodians are competitive compared to other custodians offering similar services. We consider the full range and quality of a custodian's services in placing brokerage accounts, including, but not limited to, the value or research provided as well as execution capability, commission rate, the ability to negotiate commissions, the ability to obtain volume discounts, financial responsibility, and responsiveness to us. The determinative factor is not the lowest commission cost but whether the transaction represents the best quality execution for the managed account. Therefore, we periodically and systematically review and evaluate the execution performance of the custodian/broker-dealer handling our transactions. In evaluating whether a custodian, broker, or dealer will provide "best execution," historical net prices (after commissions or other transaction-related compensation) on other transactions will be a principal factor. Other related factors will also be relevant, including: 1) the execution, clearance and settlement capabilities of the custodian/ broker-dealer, 2) the types of securities to be bought or sold, 3) the custodian/broker-dealer's willingness to commit capital, 4) the custodian/ broker-dealer's reliability and financial stability, 5) the size of the transaction, 6) and the market for the security.

We utilize many resources of public information to include financial news and research materials. We also utilize a number of computer databases available to professional investment advisers by subscription. These databases are reviewed on a regular basis. Additionally, unaffiliated service providers may occasionally be engaged to provide statistical reports, tax alerts and investment reviews to us on a regular basis.

When special situations arise, we may also consult with outside experts for additional input (without sharing nonpublic personally identifying client data). Examples of these outside, unaffiliated consultants include, but are not limited to: attorneys, investment managers, accountants, or pension specialists. Any fees associated with these consultations would be born solely by us unless other arrangements have been made, through a separate agreement between the client and the outside service provider.

Please note: Investing in securities involves risk of loss that clients should be prepared to bear. While the stock market may increase and your account(s) could enjoy a gain, it is also possible that the stock market may decrease and your account(s) could suffer a loss. It is important that you understand the risks associated with investing in the stock market, that you are appropriately diversified in your investments, and ask us any questions you may have.

We generally invest client's cash balances in money market funds, FDIC Insured Certificates of Deposit, high-grade commercial paper and/ or government backed debt instruments. Ultimately, we try to achieve the highest return on our client's cash balances through relatively low-risk conservative investments. In some cases, at least a partial cash balance will be maintained in a money market account for the client's use or so our firm may debit retainer fees for our services when requested by the client.

Item 9: Disciplinary Information

There are no legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

Item 10: Other Financial Industry Activities & Affiliations

Mr. Kahler is a licensed but non-practicing real estate agent. Clients of our firm will not be solicited to partake in any real estate investment for which Mr. Kahler will earn a commission. Furthermore, neither Mr. Kahler nor his employees, contractors or agents of Kahler Financial Group, Inc. will make any referrals to Keller Williams Black Hills, dba, Kahler, Inc., which is partially owned by Marcia Kahler's living trust. Marcia is Mr. Kahler's wife. Should a Client of our firm request real estate services; Mr. Kahler may refer them to other real estate firms. Mr. Kahler does not receive any compensation for these referrals.

Item 11: Code of Ethics, Participation or Interest in Client Transactions & Personal Trading

At times, the investment interests of the advisory representatives or related persons may coincide with the interest of clients' accounts. Due to the relatively insignificant investments made by the members or related persons of our firm, in relation to total market investments, these transactions would have no noticeable effect on market prices or movement. However, at no time will we, our representatives, or any related person receive an added benefit or advantage over clients with respect to these transactions as a result of their position. Your interests and needs are at the forefront of our practice. All rules and regulations of the United States Securities and Exchange Commission's ("SEC") Investment Advisers Act of 1940 will be strictly enforced. We will not permit insider trading and have established the required internal policy relating to insider trading. Richard S. Kahler, CFP®, MS, the Chief Compliance Officer of our firm monitors its staff's personal securities holdings records.

In 2005, investment advisers were required to implement a written Code of Ethics. Our Code of Ethics is as follows:

Fiduciary Responsibilities: We are a fiduciary to each and every one of you. The SEC takes the position that investment advisers owe their clients several specific duties as fiduciaries and these include: Advice that is suitable; Full disclosure of material facts and potential conflicts of interest (such that you have complete and honest disclosure in order to make an informed decision about services of the adviser and about investment recommendations); Utmost and exclusive loyalty and good faith; Best execution of transactions; Our reasonable care to avoid ever misleading you; and Only acting in your best interests. It is our policy to protect the interests of each of you and to place your interests first and foremost in each and every situation. Further, we monitor the personal trading of all access persons, defined as staff members who have access to client trading and investment recommendations prepared by us.

Our staff shall always act in good faith and with candor; we shall be proactive in our disclosure of any conflicts of interest that may impact you; and we shall not accept any referral fees or compensation that is contingent upon the purchase or sale of a financial product.

Internal Code of Ethics: We take the issue of regulatory compliance seriously. Our firm and our staff are required to comply with state and applicable federal securities regulations. We require that all staff members (advisory representatives and associated persons) immediately report any known or suspected violations of the Adviser's Fiduciary Duties, Code of Ethics or securities rules and regulations to our Chief Compliance Officer, Richard S. Kahler, CFP®, MS. Failure to report material information will result in loss of authority or termination and possible additional action by a regulator. We will abide by honest and ethical business practices to include, but are not limited to:

- We will not induce trading in a client's account that is excessive in size or frequency in view of the financial resources and character of the account;
- We will make investment decisions with reasonable grounds to believe that the decisions are suitable for the client on the basis of information furnished by the client and we will document suitability;
- We will place non-discretionary orders only after obtaining your authorization;
- We are never to borrow money or securities from, or lend money or securities to a client;
- We will not place an order for the purchase or sale of a security if the security is not registered, or the security or transaction is not exempt from registration in states where we provide investment advice;
- We will not place orders or recommend that the client place an order to purchase or sell a security through a broker/ dealer or agent; engage the services of a broker/ dealer or agent; or advisory representative or advisory firm that is not licensed in states where we provide investment advice or with the SEC.

All access persons will report all but exempt personal securities trading to the Chief Compliance Officer for themselves and for beneficial relationships. The Chief Compliance Officer is charged with approval and monitoring of personal securities transactions.

CFP® Code: Both Richard S. Kahler, CFP®, MSFP and Sarah E. Swantner, CFP® MS hold the Certified Financial Planner™ designation ("CFP®"). The Certified Financial Planner Board of Standards Inc. (CFP Board) also has adopted its own Code of Ethics and Professional Responsibility (Code of Ethics) to provide principles and rules to all persons whom it has recognized and certified to use the CFP, Certified Financial Planner™ and certification marks (collectively "the marks"). The CFP Board determines who is certified and thus authorized to use the marks. Implicit in the acceptance of this authorization is an obligation not only to comply with the mandates and requirements of all applicable laws and regulations but also to take responsibility to act in an ethical and professionally responsible manner in all professional services and activities. The CFP® Code of Ethics' Principles expresses the profession's recognition of its responsibilities to the public, to you, to colleagues and to employers. They apply to all CFP Board designees and provide guidance to them in the performance of their professional services. You are welcome to request a copy of the CFP® Code of Ethics from us.

If you should have any questions relating to our Code of Ethics or would like copies of the above Codes, you can contact Richard S. Kahler, CFP®, MSFP, and the Chief Compliance Officer of our firm. If you want further information concerning the CFP® Code of Ethics', you can visit www.cfp.net.

Item 12: Brokerage Practices

We seek to recommend a custodian/broker-dealer who will hold your assets and execute transactions on terms that are overall most advantageous when compared to other available providers and their services.

We consider a wide range of factors, including, among others, these:

- Ability to maintain the confidentiality of trading intentions
- Timeliness of execution
- Timeliness and accuracy of trade confirmations
- Liquidity of the securities traded
- Willingness to commit capital

- Ability to place trades in difficult market environments
- Research services provided
- Ability to provide investment ideas
- Execution facilitation services provided
- Record keeping services provided
- Custody services provided
- Frequency and correction of trading errors
- Ability to access a variety of market venues
- Expertise as it relates to specific securities
- Financial condition
- Business reputation

With this in consideration, our firm participates in the TD Ameritrade Institutional program. TD Ameritrade Institutional is a division of TD Ameritrade, Inc., member FINRA/ SIPC/ NFA ("TD Ameritrade"). TD Ameritrade is an independent and unaffiliated SEC-registered broker-dealer. TD Ameritrade offers our firm services which include custody of securities, trade execution, clearance and settlement of transactions generally used to service all of our clients. We receive some benefits from TD Ameritrade through our participation in the program. (Please see the disclosure under Item 14 of this Brochure.)

Research and Other Soft Dollar Benefits

TD Ameritrade may make certain research and brokerage services available at no additional cost to our firm all of which qualify for the safe harbor exemption defined in Section 28(e) of the Securities Exchange Act of 1934. These services may be directly from independent research companies, as selected by our firm (within specific parameters). Research products and services provided by TD Ameritrade may include 1) research reports on recommendations or other information about particular companies or industries; 2) economic surveys, data and analyses; 3) financial publications; 4) portfolio evaluation services; 5) financial database software and services; 6) computerized news and pricing services; 7) quotation equipment for use in running software used in investment decision-making; and 8) other products or services that provide lawful and appropriate assistance by TD Ameritrade to our firm in the performance of our investment decision-making responsibilities. The aforementioned research and brokerage services are used by our firm to manage accounts for which we have investment discretion. Without this arrangement, our firm might be compelled to purchase the same or similar services at our own expense.

There is no direct link between our firm's participation in the program and the investment advice we give to our clients, although our firm receives economic benefits through our participation in the program that are typically not available to TD Ameritrade retail investors. The benefits received by our firm or our personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade.

TD Ameritrade charges brokerage commissions and transaction fees for effecting certain securities transactions (i.e., transaction fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). TD Ameritrade enables us to obtain many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges. TD Ameritrade's commission rates are generally discounted from customary retail commission rates. However, the commission and transaction fees charged by TD Ameritrade may be higher or lower than those charged by other custodians and broker-dealers. Although we will seek competitive rates, to the benefit of all clients, we may not necessarily obtain the lowest possible commission rates for specific client account transactions.

As a result of receiving the services discussed above for no additional cost, we may have an incentive to continue to use or expand the use of TD Ameritrade's services. This interest may conflict with your interest of obtaining the lowest commission rate available. Our firm examined this potential conflict of interest when we chose to enter into the relationship with TD Ameritrade and we have determined in good faith that such commissions are reasonable in relation to the value of the services provided by such executing broker-dealers.

Brokerage for Client Referrals

Our firm does not direct client transactions to a particular broker-dealer in return for client referrals.

Directed Brokerage

Neither we nor any of our firm's related persons have discretionary authority in making the determination of the brokers with whom orders for the purchase or sale of securities are placed for execution, and the commission rates at which such securities transactions are effected. We routinely recommend that a client directs us to execute through a specified broker-dealer. Our firm recommends the use of TD Ameritrade. Each client will be required to establish their account(s) with TD Ameritrade if not already done. Please note that not all advisers have this requirement.

A retirement or ERISA plan client may direct all or part of portfolio transactions for its account through a specific broker-dealer in order to obtain goods or services on behalf of the plan. Such direction is permitted provided that the goods and services provided are reasonable expenses of the plan incurred in the ordinary course of its business for which it otherwise would be obligated and empowered to pay. ERISA prohibits directed brokerage arrangements when the goods or services purchased are not for the exclusive benefit of the plan. Consequently, we will request that plan sponsors who direct plan brokerage provide us with a letter documenting that this arrangement will be for the exclusive benefit of the plan.

We allow clients to direct brokerage outside our recommendation. However, we may be unable to achieve the most favorable execution of client transactions. Client directed brokerage may cost clients more money. For example, in a directed brokerage account, you may pay higher brokerage commissions because we may not be able to aggregate orders to reduce transaction costs, or you may receive less favorable prices.

Trade Aggregation and Allocation

We perform investment management services for various clients. There are occasions on which portfolio transactions may be executed as part of concurrent authorizations to purchase or sell the same security for numerous accounts served by our firm, which involve accounts with similar investment objectives. Although such concurrent authorizations potentially could be either advantageous or disadvantageous to any one or more particular accounts, they are affected only when we believe that to do so will be in the best interest of the effected accounts. When such aggregate orders occur, the objective is to allocate the executions in a manner which is deemed equitable to the accounts involved. In any given situation, we attempt to allocate trade executions in the most equitable manner possible, taking into consideration client objectives, current asset allocation, and availability of funds using price averaging, proration, and consistently non-arbitrary methods of allocation.

Item 13: Review of Accounts or Financial Plans

Investment Review. Richard S. Kahler is the President and Chief Compliance Officer of Kahler Financial Group and the Portfolio Analyst with strategic oversight of all our clients' portfolios. He is responsible for the review of your portfolio. The portfolio review process that he uses is as follows.

We assign your portfolio a minimum of an annual review with more frequent reviews on an as needed basis. A review of your portfolio could also occur at the time of significant new deposits or withdrawals, material changes in client's financial information, significant changes in the market, as often as the client may prefer as agreed to at the time of engagement, or at our discretion. These reviews are not necessarily based on the timing of meetings with you. This review is done on an aggregate client basis and does not require timing decisions. We review the investment managers or securities in your portfolio on an ongoing basis (at least quarterly, sometimes monthly).

Reviews entail analyzing your portfolio, securities, investment managers' performance, sensitivity to overall markets, economic changes, investment results and asset allocations, to help ensure the investment strategy is structured to continue to meet your stated needs and objectives. We examine each individual holding to see if any significant changes have occurred. We give particular attention to mutual funds that you hold by researching the performance, risk, style, or current operational data of each fund. We then compare the current allocation among the asset classes to the allocation in their target portfolio and Investment Policy Statement.

If we determine that adjustments need to be made to bring your portfolio into closer conformity with the target allocation, we research all the assets in the categories in question to determine what changes to make. We then develop the trades needed to make these adjustments.

Generally on a weekly basis, we will review the allocation of the portfolio among asset classes and compare that with the target allocation. We will also compare your portfolio returns to appropriate benchmarks. We will provide reports on individual assets to you when requested, or as the advisor deems appropriate. We send reports showing realized gains/ losses and income received to you once a year within the first three months after year-end.

You may call the office at any time during normal business hours to discuss your account, financial situation, or investment needs directly with Richard S. Kahler, CFP®, MSFP, the President and Chief Compliance Officer. We request that you contact us no less than annually and promptly if there has been a change in your financial situation as new information may warrant a review or change in the investment strategies. We will request you update all your financial information annually so we can determine if there have been any changes that merit a change in your financial plan.

While you may give us limited discretionary authority to execute trades, you are welcome to implement investment recommendations and advice, in whole or in part, through the financial service provider of your choice. You also retain the authority to proxy vote and will continue to do so until we otherwise may agree in writing. You are welcome to delegate said proxy voting authority to a properly authorized agent (non-advisory personnel). We will not take action with respect to any securities or other investments that become the subject of any legal proceedings, including bankruptcies. Please note that any securities in your account are owned by you directly, rather than an undivided interest in a pool of securities.

Financial Planning Review. Richard S. Kahler is the President of Kahler Financial Group and the Director of Financial Planning with strategic oversight of all your financial planning. He is responsible for supervising the financial planners reviewing your portfolio. The portfolio review process that the financial planning team uses is as follows.

We assign your financial plan a minimum of an annual review with more frequent reviews on an as needed basis. A review of your financial plan could also occur at the time of significant changes in a client's life or material changes in a client's financial situation. These reviews are not necessarily based on the timing of meetings with you. This review is done on an aggregate client basis and does not require timing decisions.

Reviews typically involve a review of these areas: insurance, asset protection, estate planning, taxation, financial independence, and cash flow.

Hourly and project services terminate upon delivery. In these cases, reviews or updates are not included in the services. We may recommend annual reviews or other follow-up services but it would be the client's responsibility to engage additional services from our firm, under a new or amended engagement.

We may review client accounts more frequently than described above. Among the factors which may trigger an off-cycle review are major market or economic events, the client's life events, requests by the client, etc.

Item 14: Client Referrals & Other Compensation

Other Compensation Arrangements

In addition to the benefits described in Item 12 of this brochure, TD Ameritrade or fund companies may make available to our firm other products and services that benefit us, but may not benefit your accounts. These benefits may include national, regional or investment adviser specific educational events organized and/or sponsored by TD Ameritrade or fund companies. Other potential benefits may include occasional business entertainment of personnel of our firm by TD Ameritrade or fund company personnel, including meals, invitations to sporting events, golf tournaments, and other forms of entertainment, some of which may accompany educational opportunities. Some of these products and services assist our firm in managing and administering your accounts. These include software and other technology (and related technological training) that provide access to your account data (such as trade confirmations and account statements); facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts); provide research, pricing information and other market data; facilitate payment of our fees from your accounts; and assist with back-office training and support functions, recordkeeping and client reporting. Many of these services generally may be used to service all or some substantial number of our accounts, including accounts not maintained at TD Ameritrade. TD Ameritrade also makes available to our firm other services intended to help our firm manage and further develop our business enterprise. These services may include professional compliance, legal and business consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, employee benefits providers, human capital consultants, insurance, and marketing. In addition, TD Ameritrade may make available, arrange and/ or pay vendors for these types of services rendered to our firm by independent third parties. TD Ameritrade may discount or waive fees it would otherwise charge for some of these services or pay all or part of the fees of a third-party providing these services to our firm. While as a fiduciary, our firm endeavors to act in your best interests, an adviser's recommendation/requirement that

you maintain your assets in accounts at TD Ameritrade may be based in part on the benefit to our firm of the availability of some of the foregoing products and services and other arrangements and not solely on the nature, cost, or quality of custody and brokerage services provided by TD Ameritrade, which may create a potential conflict of interest.

Our firm also receives from TD Ameritrade certain additional economic benefits ("Additional Services") that may or may not be offered to any other investment advisory firms participating in the program. Specifically, the Additional Services we receive include Morningstar's Advisor Workstation. TD Ameritrade provides the Additional Services to our firm in its sole discretion and at its own expense, and our firm does not pay any fees to TD Ameritrade for the Additional Services. Our firm and TD Ameritrade have entered into a separate agreement ("Additional Services Addendum") to govern the terms of the provision of the Additional Services.

Our firm's receipt of Additional Services raises potential conflicts of interest. In providing Additional Services to our firm, TD Ameritrade most likely considers the amount and profitability to TD Ameritrade of the assets in, and trades placed for, our firm's client accounts maintained with TD Ameritrade. TD Ameritrade has the right to terminate the Additional Services Addendum with our firm, in its sole discretion, provided certain conditions are met. Consequently, in order to continue to obtain the Additional Services from TD Ameritrade, our firm may have an incentive to recommend to our clients that the assets under management by our firm be held in custody with TD Ameritrade and to place transactions for client accounts with TD Ameritrade. Our firm's receipt of Additional Services does not diminish our duty to act in the best interests of our clients, including seeking the best execution of trades for client accounts.

Client Referrals

We do not pay referral fees to independent solicitors (non-registered representatives) for the referral of their clients to our firm in accordance with Rule 206 (4)-3 of the Investment Advisers Act of 1940.

Item 15: Custody

All of our clients receive at least quarterly account statements directly from their custodians. Upon opening an account with a qualified custodian on a client's behalf, we promptly notify the client in writing of the qualified custodian's contact information. If we decide to also send account statements to clients, such notice and account statements include a legend that recommends that the client compare the account statements received from the qualified custodian with those received from our firm.

We encourage you to raise any questions with us about the custody, safety, or security of your assets. The custodians we do business with will send you independent account statements listing your account balance(s), transaction history, and any fee debits or other fees taken out of your account.

Item 16: Investment Discretion

If you choose to have us manage your portfolio on a non-discretionary basis, that means all trades are reliant on a written confirmation from you. That written confirmation is usually obtained prior to the trade, but may be obtained after a trade was completed when we have a prior verbal approval.

If you choose to have us manage your portfolio on a discretionary basis, we will discretionarily execute all trades in accordance and compliance with your Investment Policy Statement. Discretionary asset management services are designed for clients who prefer to leave the decisions regarding the selection of specific investment vehicles to our firm. This service is similar in all aspects to our non-discretionary services, with the exception that we choose the investments for your portfolio that are in compliance with the Investment Policy Statement and execute the trades discretionarily.

Item 17: Voting Client Securities

We do not and will not accept the proxy authority to vote client securities. You will receive proxies or other solicitations directly from their custodian or a transfer agent. In the event that proxies are sent to our firm, we will forward them on to you and ask the party who sent them to mail them directly to you in the future. You may call, write, or email us to discuss questions you may have about particular proxy votes or other solicitations.

Item 18: Financial Information

We are not required to provide financial information in this Brochure because:

- We do not require the prepayment of more than \$1,200 in fees and six or more months in advance.
- We do not take custody of client funds or securities.
- We do not have a financial condition or commitment that impairs our ability to meet contractual and fiduciary obligations to clients.
- We have never been the subject of a bankruptcy proceeding.