

**Form ADV Part 2A and 2B
BROCHURE FOR**



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Date of Brochure: February 15, 2024

The purpose of this brochure is to disclose to you what we do and who we are at Oldfather Financial Services, LLC (herein OFS). Knowing these elements will allow you to use the services we offer far more effectively. If you have any questions about the contents of this brochure, please do not hesitate to contact us at the telephone number or email address listed above or our website www.oldfatherfinancial.com.

OFS is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The advisory services described in this brochure are not insured or otherwise protected by the U.S. Government, the Federal Deposit Insurance Corporation, the Federal Reserve Board, or any other government agency and involves risk, including the possible loss of principal.

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 OFS is also available on the Internet at www.adviserinfo.sec.gov. You can view OFS's information on this website by searching for "Oldfather Financial Services". You may also search for information by using our CRD number 112505 or our SEC number 801-79439.

Item 2 Summary of Material Changes

Oldfather Financial Services, LLC is pleased to provide its clients with this Brochure which is the firm's Form ADV Part 2A & Part 2B. This Brochure contains important information about the business practices of the Advisor as well as a description of potential conflicts of interest relating to the firm's advisory business that could affect a client's account with the Advisor.

There have been no material changes since the last annual updating amendment filing on 2/27/2023.

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Item 4 Advisory Business

Description of Firm

Oldfather Financial Services, LLC is a registered investment adviser primarily based in Kearney, NE. We are organized as a limited liability company ("LLC") under the laws of the State of Nebraska. We have been providing investment advisory services since 04/01/1992. We are primarily owned by William Oldfather.

The following paragraphs describe our services and fees. Refer to the description of each investment advisory service listed below for information on how we tailor our advisory services to your individual needs. As used in this brochure, the words "we," "our," and "us" refer to Oldfather Financial Services, LLC and the words "you," "your," and "client" refer to you as either a client or prospective client of our firm.

Primary Advisory Services. We have three basic services that we offer.

1) Separate Account Asset Management

Our main focus is to manage investment portfolios for individual clients, high net worth families, retirement plans, foundations and endowments. This service is for the client who wants someone to continuously manage their account(s). Briefly here is how it works. Together with you we determine the best approach for your unique investment needs. Then we design a customized investment plan for you based on your unique investment objectives. Once the plan is in place we monitor it for you. Monitoring includes reviewing performance and controlling adherence to your objectives. We will then make any changes necessary to keep you on track.

Events that could trigger changes in your account(s) include changes in market or economic conditions, changes in your situation, changes in your selected investments or better investments that may become available. We then meet with you as often as you wish to go over your account. Clients may impose restrictions on investing in certain securities or types of securities.

We charge a yearly flat retainer fee or a percentage of assets fee for this service. The fee depends on the size of the account and the amount of service required. The fee includes recommending investments, purchasing securities and monitoring your investment account. We receive no commissions or fees from anyone else. We do receive brokerage services from Charles Schwab. See Item #12. The fee you pay us is the only money we receive. This leaves us free to give you truly unbiased advice.

2) OFS Smart Technology

In addition to our separate account asset management solution using many different types of investment securities, we offer a service called OFS Smart Technology (OST) that uses a standardized portfolio of exchange traded funds (ETF's) offering clients a wide range of investment strategies designed for a more tech-savvy investor. We construct the investment strategies and choose the ETF's to be included in the program. We have contracted with Charles Schwab Co., Inc. to provide us with their technology platform Institutional Intelligent Portfoliostm and related trading and account management services which enable us to make OST available to clients primarily online. It includes a system that automates certain key parts of our investment process. OST includes an online questionnaire and an automated investment engine through which we manage the client's portfolio on an ongoing basis. It is also capable of automatic rebalancing and tax loss harvesting (if the client is

eligible and elects). OST keeps a minimum of 4% (that amount could be substantially more) of the client's portfolio in a Schwab Bank account in part to compensate the provider Charles Schwab for providing this service. The client pays no commissions to Schwab for this service.

In determining the appropriateness of any OST portfolio for any particular client, OFS relies on the OST questionnaire and our own proprietary questionnaire in addition to a client interview. Together with the client we choose one of 12 different total return portfolios or one of 6 income portfolios that are appropriate for the client's needs and goals.

We charge a fee for this service. See Item #5. The fee includes recommending, purchasing securities and monitoring the client's investment account. It also includes account re-balancing if the client wishes and their account balance is \$5,000 or over and tax loss harvesting if the client wishes and their account balance is at least \$50,000. OFS receives no fee for OST other than the percentage of assets fee paid to us by the client. We receive no commissions or fees from anyone else. We do receive brokerage services from Charles Schwab. See Item #12. The fee you pay us is the only money we receive. This leaves us free to give you truly unbiased advice.

3) Personal Financial Counseling

FIND THE ANSWERS TO YOUR FINANCIAL QUESTIONS AND GET SOME COACHING ON WHAT TO DO- If you just need answers to your financial questions we can give you unbiased answers for a one-time fee. You can use this service on an as-needed basis for an hourly fee. It's like an a la carte menu, you pay only for the advice you need. You can request a written report or you can just come in and discuss a particular problem or get a second opinion. Here are some examples of questions you may want answers to:

- Will I have enough money to retire?
- Are my investments allocated correctly for my situation and goals?
- Am I using the best investments?
- When can I afford to retire?
- What is the best way to save for College?
- What choices should I be using in my 401k plan?
- How much should I save?
- Should I use tax-free investments?
- Will my retirement savings last a lifetime?
- When should I begin taking social security?

GET A FULL FINANCIAL PLAN - This service is designed for clients that want a complete written financial plan covering certain areas of their finances for a one-time fee. This is designed to coordinate investments, taxes, estate plans and any other areas into a cohesive plan for the future. The initial time required to determine your needs and estimate the fee for these services is free. When the financial planning consultations are complete, the obligation from us to the client will terminate and we will be under no obligation to update or to monitor the Client's investment or financial situation in connection with the consultation services.

As an addition to the Personal Financial Counseling services described above, clients may elect one or more advanced-planning services that may include estate planning or tax planning services, asset management, and/or any of the other advisory services offered by Oldfather. With these bundled services, clients have the option of receiving advanced financial planning services for a bundled fee, which could include estate planning prepared by an unaffiliated attorney, advanced tax planning including preparation of tax returns by an unaffiliated accountant, or other advanced planning

services. In the development of comprehensive estate planning documents (trusts, wills, power of attorneys, advance medical directives, etc.), if an outside unaffiliated legal professional is engaged, Oldfather will arrange the payment of the fees for service for such outside professional.

The bundled services may also include Separate Account Asset Management or OFS Smart Technology services, in which case a separate agreement is required. Each service selected by a client as part of a bundled services package will be specified in the Personal Financial Counseling Agreement a client signs with our firm. If the Client elects to act on any of the Personal Financial Counseling recommendations made by the Advisor, the Client is under no obligation to accept the recommendations of outside professionals recommended by Oldfather.

Other Services

Non-Discretionary Assets

In addition to providing investment management of client assets on a discretionary basis, the Advisor provides certain limited services to clients with respect to "Non-Discretionary Assets." These services consist solely of the following: The Advisor is available to consult with the client on an as agreed upon basis regarding additional Non-Discretionary Assets the client may have such as 401k's or other retirement plans. However, the client is solely responsible for all decisions and consequences on the Non-Discretionary Assets, including decisions on whether to retain or sell all or a portion of the Non-Discretionary Assets. This responsibility remains solely with the client regardless of whether any security is reflected on account reports prepared by the Advisor.

We Tailor Our Advice to Our Client's Individual Needs.

Our advisory services are tailored to the specific needs of each client. Prior to providing advisory services, the Advisor will determine each client's investment goals and objectives. The Advisor then allocates and/or recommends that the client allocate investment assets consistent with the designated investment objective. The client may at any time impose reasonable restrictions on the Advisor's services, but restrictions must be delivered to the Advisor in writing and signed by the client.

Wrap Accounts.

We do not offer wrap fee programs.

Types of Investments

We primarily offer advice on ETFs and Mutual Funds. Refer to the *Methods of Analysis, Investment Strategies and Risk of Loss* below for additional disclosures on this topic.

Additionally, we may advise you on various types of investments based on your stated goals and objectives. We may also provide advice on any type of investment held in your portfolio at the inception of our advisory relationship.

Since our investment strategies and advice are based on each client's specific financial situation, the investment advice we provide to you may be different or conflicting with the advice we give to other clients regarding the same security or investment.

IRA Rollover Recommendations

Effective December 20, 2021 (or such later date as the US Department of Labor ("DOL") Field Assistance Bulletin 2018-02 ceases to be in effect), for purposes of complying with the DOL's Prohibited Transaction Exemption 2020-02 ("PTE 2020-02") where applicable, we are providing the following acknowledgment to you. When we provide investment advice to you regarding your retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable,

which are laws governing retirement accounts. The way we make money creates some conflicts with your interests, so we operate under a special rule that requires us to act in your best interest and not put our interest ahead of yours. Under this special rule's provisions, we must:

- Meet a professional standard of care when making investment recommendations (give prudent advice);
- Never put our financial interests ahead of yours when making recommendations (give loyal advice);
- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure that we give advice that is in your best interest;
- Charge no more than is reasonable for our services; and
- Give you basic information about conflicts of interest.

We benefit financially from the rollover of your assets from a retirement account to an account that we manage or provide investment advice, because the assets increase our assets under management and, in turn, our advisory fees. As a fiduciary, we only recommend a rollover when we believe it is in your best interest.

E. Assets We Manage.

As of January 31, 2024, Oldfather Financial Services, LLC managed total assets of \$391,661,223; \$370,634,693 on a discretionary basis for our clients and \$21,026,530 on a non-discretionary basis.

Item 5 Fees and Compensation

A. Fee Schedules

Oldfather Financial Services, LLC is a purely fee-only firm. We receive no cash compensation from anyone but our client. We receive no compensation from the sale of any securities or investment products. We receive no commissions, fees, markups, service fees, awards or prizes for recommending any individual product. You should note that similar investment advisory services may or may not be available from other registered investment advisors for similar or lower fees. We do receive brokerage services from Charles Schwab. See Item #12.

Investment Advisory Fees

Our investment management fees are negotiable and as a result, clients with similar assets may have different fee schedules and pay different fees. Fees are paid in advance either monthly, quarterly, semiannually or annually. Our fees are based on a percentage of assets under management. OFS charges an annualized management fee that ranges up to 1.50%. Fees are based on the aggregate amount of all household assets held under management. Fees are also based on the client's financial situation, assets under management, and complexity of services offered. Percentage of asset fees are based on the account value at the beginning of the billing period.

We may also negotiate a flat fee or a constant dollar annual retainer with the client in advance. This fee is based on the account size, the types of assets it contains, and the amount of supervision and other work required. Recommended minimum account size is \$100,000 for separate account management. This minimum account size is negotiable. We retain the discretion to negotiate alternative fees on a client-by client basis.

At our discretion, we may combine the account values of family members living in the same household to determine the applicable advisory fee. For example, we may combine account values for you and your minor children, joint accounts with your spouse, and other types of related accounts. Combining account values may increase the asset total, which may result in your paying a reduced advisory fee based on the available breakpoints in our fee schedule stated above.

We will deduct our fee directly from your account through the qualified custodian holding your funds and securities. We will deduct our advisory fee only when you have given our firm written authorization permitting the fees to be paid directly from your account. Further, the qualified custodian will deliver an account statement to you at least quarterly. These account statements will show all disbursements from your account. You should review all statements for accuracy.

We encourage you to reconcile our invoices with the statement(s) you receive from the qualified custodian. If you find any inconsistent information between our invoice and the statement(s) you receive from the qualified custodian call our main office number located on the cover page of this brochure.

OFS Smart Technology Investment Management

Our investment management fees are negotiable and as a result, clients with similar assets may have different fee schedules and pay different fees based on the complexity of the client's situation or the services provided by the firm, among other things. Fees are paid in advance either monthly, quarterly, semi-annually or annually. Our fees are based on a percentage of assets under management. OFS charges an annualized management fee that ranges up to 1.50%. Fees are based on the aggregate amount of all household assets held under management. Fees are also based on the client's financial situation, assets under management, and complexity of services offered. Percentage of asset fees are based on the account value at the beginning of the billing period.

We may also negotiate a flat fee or a constant dollar annual retainer with the client in advance. This fee is based on the account size, the types of assets it contains, and the amount of supervision and other work required. The specific fee to which a client is subject will be specified in the advisory agreement the client signs with our firm. Recommended minimum account size is \$100,000 for separate account management. This minimum account size is negotiable. We retain the discretion to negotiate alternative fees on a client-by-client basis.

We Offer Two Financial Planning Alternatives.

Complete Written Financial Plan Fees.

Because of the differing complexity of financial plans and the range and scope of possible client situations, the fees for financial planning can vary greatly. Therefore the fees below are to be used as a guideline.

\$500.00 for net worth up to \$250,000

\$750.00 for net worth of \$250,000 to \$1,000,000

\$1,000 for net worth above \$1,000,000

plus \$250.00 per hour for every hour of preparation

Fees are negotiable. Minimum fee \$150

Personal Financial Counseling Fees.

We may also consult with a client on a one-time basis to answer questions or give advice. This service is available for \$250 per hour with a \$150 minimum. This consultation may or may not produce a written report depending on client needs. Fees are subject to negotiation. A flat project fee for consultations may be negotiated and will depend on an estimated time to complete the project. Some financial planning and counseling services may be provided free of charge for clients with an investment management relationship.

B. How Our Fees Are Paid.

Advisory Fees for Account Management

Advisory fees may be deducted from one of your accounts or if you have more than one account the fee can be billed to each account. This is our preferred billing methodology and we request that you provide instructions to your account custodian to allow us to debit our fees. Your other option is that we can bill you directly for our services. Fees are normally due in advance on a quarterly basis but may be paid more or less frequently if desired. You have the option of paying the whole annual fee in advance, but we do not accept payments of more than \$1,200 six months or more in advance. The Custodian will send client statements at least quarterly, showing all activity in the account including the advisory fee, if it is deducted from the account.

Personal Financial Counseling

We will give an estimate of the charges for personal financial consulting upon signing a Financial Planning Agreement. This is only an estimate. For a written financial plan, one half of the fee or \$500 whichever is less is due upon signing the financial planning agreement. Fees for personal financial counseling may be billed at time of service or quarterly in advance.

Fees for Personal Financial Counseling bundled services will be specified in the Personal Financial Counseling Agreement a client signs with Oldfather, and will be billed on a flat-fee or assets under management basis, or a combination of the two as specified in the Agreement. If a client engages Oldfather for Separate Account Asset Management or OFS Smart Technology as part of the bundled services, a separate agreement is required. If a client elects estate planning services, Oldfather's fee includes the cost of the services provided by the unaffiliated attorney with whom Oldfather works. If a client elects tax preparation services, Oldfather's fee includes the cost of the tax preparation services provided by the unaffiliated accountant with whom Oldfather works. Fees for other third-party service providers engaged as part of the bundled services, if applicable, will also be included in Oldfather's fee for bundled services, unless specifically excluded in the Agreement. Clients engage unaffiliated professional service providers separately and in their sole discretion.

C. Other Fees or Expenses.

To the extent that your account is invested in mutual funds, variable annuities or exchange traded funds (ETF's), you will pay management, administrative and other indirect fees in addition to the direct fees paid to us. You will not pay commissions on stock or ETF trades but you will pay exchange fees to Schwab for these trades. You will pay commissions on bond and some mutual fund purchases and incur possible spread fees (the difference between buy and sell quotes). These fees are separate, distinct and in addition to the advisory fees we charge. Brokerage fees will be billed to you directly from

the Custodian. We do not share in any portion of the brokerage fees/transaction charges imposed by the broker-dealer or custodian. Clients are encouraged to read each securities prospectus carefully. We receive none of these fees or commissions from the broker. See item #12.

Third-Party Charges

Our fees do not cover custodial or execution charges from third parties. Some of these fees include odd-lot differentials and exchange fees. Other charges may include contingent deferred sales charges (CDSC fees). A third party may also impose additional charges for special customized services elected by their clients. These services would include electronic fund wire transfer fees, certificate delivery fees, American Depositary Receipt fees, exchange fees, and transfer taxes mandated by law. Trades in fixed income securities with broker/dealers may involve transaction charges. Other fees may include mark-ups, mark-downs, commissions, and dealer profits. Any dealer profit, commission, markup or mark-down on principal trades will be separate from our fee. We do not receive any portion of the third-party fees you may be charged.

Retirement Plan Providers

Our fees do not cover costs of servicing a qualified retirement plan. Third parties charge these fees under separate agreements with the plan or plan sponsor.

OFS Smart Technology

Clients do not pay any commissions for the purchase or sale of securities in their account. Clients pay OFS a management fee. We also may receive non-monetary services. See Item #12. Your account will be invested in exchange traded funds (ETF's), mutual funds and cash in the Schwab Bank. You will pay management, administrative and other indirect fees for ETF securities and mutual funds in addition to the percentage of assets fee paid to us. As part of OST at least 4% (and possibly substantially more) of a client's account balance will be invested in a cash account the Schwab Bank. Schwab will receive fees from this money market account. Schwab may also receive fees from any Schwab ETF's used and may receive compensation from third-party ETF's as part of Schwab ETF One Source. Schwab may also receive remuneration from market centers where it routes ETF orders.

D. When Advisory Fees are Paid.

Advisory fees are due in advance. Your Investment Advisory Agreement with us may be cancelled at any time, by either party, for any reason upon receipt of prior written notice. Upon termination of any account, any prepaid, unearned fees will be promptly refunded. Any refund will be effective on the day the termination notice is received. The refund will be calculated by taking the number of days in the prepaid period, then dividing that by the amount of the total fee for the period. Then multiply that daily amount by the number of days left in the prepaid period. If a client terminates the Investment Advisory Agreement within 21 days of signing the agreement, Oldfather Financial Services, LLC will refund 100% of any prepaid advisory fees.

As of the effective date of termination of our investment management services, we will have no obligation or authority to recommend or take any action with regard to your previously managed assets. You will bear sole responsibility to work with your custodian for proper liquidation and/or management of your assets upon termination. Any un-used pre-paid Financial planning fees will be refunded if client no longer desires the work to be done. Our fees of \$250 an hour will be charged for work already done and the balance will be refunded.

E. Other Compensation Received.

Oldfather Financial Services, LLC receives no cash compensation from anyone but our client. We receive no compensation from the sale of any securities or investment products. We receive no commissions, asset-based fees, markups, service fees, awards or prizes from anyone including brokers or mutual fund companies. We do receive non-monetary services from Charles Schwab. See Item #12.

Item 6 Performance-Based Fees and Side-By-Side Management

We do not accept performance-based fees or participate in side-by-side management. Performance-based fees are fees that are based on a share of a capital gains or capital appreciation of a client's account. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. Our fees are calculated as described in the *Fees and Compensation* section above, and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds in your advisory account.

Item 7 Types of Clients

Oldfather Financial Services, LLC makes advisory services available to a wide variety of clients including, but not limited to, individuals, IRA's, pension and profit sharing plans, trusts, foundations, endowments, charitable organizations, corporations and other business entities.

Our typical client has significant financial assets or a lump sum of money that needs management. They trust us to recommend and carry out a plan for their individual portfolio that takes into consideration their individual risk, tax, retirement and estate situation.

Our typical client is a retiree, entrepreneur, executive or professional and has limited time or resources to devote to managing their money. They feel that hiring an unbiased professional to manage and coordinate their investments is preferable to doing it on their own or looking over a broker's shoulder all the time.

Our typical client has several related accounts with our company consisting of personal accounts, IRA's, trusts and retirement plans. Our typical client knows that markets are uncertain and they tend to prefer less risk to maximum risk.

Our clients expect individual attention and unlimited access to their investment manager. We generally recognize a relationship minimum of \$100,000 for investment advisory accounts but reserve the right to accept or decline to work with any prospective client. Minimum financial planning fee is \$150.

OFS Smart Technologies

Clients eligible to enroll in OST include individuals, IRA's and revocable living trusts. Client's that are organizations and clients that are subject to ERISA are not eligible for the program. The minimum investment required is \$5,000 which is substantially below our separate account minimum.

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

Methods of Analysis.

Equity Analysis

OFS relies on an investment philosophy that is based on established academic research, such as Modern Portfolio Theory and the Fama-French Three-Factor Model, and established discoveries in behavioral finance. Modern Portfolio Theory says that it is not enough to look at the expected risk and return of one particular asset class. By investing in more than one asset class, an investor can reap the benefits of diversification—chief among them, a reduction in the risk level of the portfolio. Modern Portfolio Theory quantifies the benefits of diversification, also known as "not putting all your eggs in one basket." The Fama-French Three-Factor Model, through research, found that over long periods of time, value stocks outperform growth stocks and, similarly, small cap stocks tend to outperform large cap stocks. Therefore, by analyzing these factors it becomes easier to evaluate the potential portfolio performance.

The OFS investment philosophy is based on the following basic principles:

Develop highly diversified portfolios that feature a broad range of asset classes and market sectors.

Use predominantly market-based investments, not manager-based investments.

Hold the investments for long periods of time.

Periodically reallocate investments as conditions warrant.

Strategically rebalance as needed.

This approach, of course, cannot ensure investment success or prevent loss in a declining market. Investing in securities involves risk of loss. Past performance of any investment or method of investing is no guarantee of future results.

Security analysis methods we use most for individual securities include fundamental analysis and value investing. We attempt to measure the intrinsic value of securities and markets by examining related economic, financial and other qualitative and quantitative factors. The value of a business is not always reflected in its stock price. The end goal of fundamental analysis is to produce a value that an investor can compare to a security's current price to figure out if the security is over or under priced and whether it should be bought or sold.

Another analytic method we use is cyclical analysis which is a method of evaluating investments by determining how sensitive they are to the business cycle. Different investments perform differently depending upon whether the economy is doing well or is in a cyclical downturn.

The main sources of information for analysis include but are not limited to financial newspapers, magazines, research materials prepared by others including annual reports, prospectuses, SEC filings and conference calls. Reporting services used include but are not limited to Bloomberg, Morningstar, S&P and Value Line.

Fixed Income Analysis

We use the following methods of analysis in formulating our investment advice and/or managing client assets, in conjunction with a core and satellite approach:

- **Fundamental analysis.** We accept that treasuries, US government guaranteed/collateralized debt and federal agencies are exempt from credit risk. GNMA, FNMA & FHLB mortgage backed debt fits in this category as well. Corporate debt and asset back securities must be exchange listed and or highly liquid. Municipal revenue bonds must display consistent debt service coverage. Municipal general obligation bonds must display modest debt to assessed valuations. The underlying securities in all fixed income mutual funds must meet the same criterion as the individual securities OFS purchases, or employ esoteric investment styles not easily addressed by individual securities (high yield, foreign, alternative assets etc.). Mutual funds are expected to display a track record that validates the fund manager's ability to add value.
- **Yield Curve Analysis.** We analyze the prevailing interest rates in all asset classes and maturities. Yield curves can be steep, flat, inverted, parabolic, etc. We analyze the liquidity requirements of each portfolio and ladder fixed income accordingly. As a result, our fixed income portfolios can be equally laddered, dumbbell laddered, long in duration, short in duration, etc.
- **Asset Class Analysis.** The relationship of treasury, agency, corporate and municipal yields is always in a state of flux. Market conditions can dislocate the traditional relationship of all asset classes. OFS monitors all these relationships and looks for opportunities to use approved securities in non-traditional roles. This analysis can generate extension, contraction and yield pickup swaps. A risk in using this type of quantitative analysis occurs when that the asset class models being used and the assumptions based on them prove to be incorrect.
- **Risks for All Forms of Analysis.** Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly available sources of information about these securities, are providing accurate and unbiased data. To that end, we combine fundamental and quantitative analysis whenever possible. However, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

B. Investment Strategies.

Separate Account Management

We strive to mitigate risk by properly positioning our client's account(s) in the appropriate main asset classes including stocks, bonds and cash. We may from time to time use other alternative asset classes. We further attempt to reduce risk by diversifying investments within each of these asset classes.

We have seven different model portfolios that we place our investors in that attempt to match their investments with their risk and return profile.

FIXED INCOME

This is typically considered among the most conservative risk profile. 100% of the investments will be bonds. No stocks. It emphasizes income and preservation of principal. The investments used may be taxable or tax free depending on the client and the type of account.

AGGRESSIVE

This is the most aggressive risk profile. This portfolio has a target of 100% stocks with general limits or 80 to 100% stocks and up to 20% bonds allowed. It emphasizes growth over a long period of time not to be less than 7 years.

CAPITAL APPRECIATION

This is also an aggressive risk profile. It has a target of 80% stocks and 20% bonds with general limits of 70 to 80% stocks and 30 to 50% bonds. It emphasizes long term growth with less volatility and less return than the Aggressive portfolio.

MODERATE

This is more moderate risk portfolio. It has a target of 70% stocks and 30% bonds with general limits of 50 to 70% stocks and 30 to 50% bonds. It still emphasizes long term growth with less volatility than the Capital Appreciation portfolio.

GROWTH and INCOME

This is slightly above the middle of the risk return profile. The Growth and Income portfolio has a target of 60% stocks and 40% bonds with general limits of 45 to 60% stocks and 40 to 55% bonds. This portfolio is for those who are slightly more aggressive than the middle risk profile.

BALANCED

This is in the middle of the risk return profile. The Balanced portfolio has a target of 50% stocks and 50% bonds with general limits of 35 to 50% stocks and 50 to 65% bonds. This is a good portfolio for those close to retirement or those who are actually retired and drawing income from their investments.

CONSERVATIVE

In our view, this is the most conservative portfolio that contains stocks. The target is 35% stocks and 65% bonds but may go as low as 0% in stocks and as high as 100% in bonds. This is for more risk adverse investors who still need exposure to the stock market for growth but lean toward preservation of their original investment.

These maximum stock allocations are designed to keep investment objectives in line with the actual portfolios. The above allocations apply to all of the client's investment accounts when aggregated and are designed as a limit to risk, not as a specific allocation to be maintained at all times.

Because of the nature of markets these seven portfolios are guidelines. The actual percentage of stocks may be lower in some cases much lower than the target of the risk category. Factors such as short term needs for liquidity or plans for a market downturn may be reasons for a lower stock allocation. In other instances, the percentage of stocks may be higher than the target due to extremely high market situations or other factors.

We use many kinds of securities for portfolios including, but not limited to individual stocks and bonds, no-load mutual funds, load-waived mutual funds purchased with no commissions and exchange traded funds.

OFS Smart Technologies

OST uses only Exchange Traded Funds (ETF's) and the Schwab Bank for cash positions. There are twelve total return portfolios for clients wanting taxable bonds in their portfolio and twelve total return portfolios for clients wanting tax-free bonds. There are also three income portfolios that use taxable bonds and three portfolios that use tax free bonds.

C. Risk of Loss.

Past performance, though somewhat important, is not an indicator of future results. In fact, we prefer to look to the future and try to anticipate economic scenarios not previously observed because we feel this is critical to investment returns going forward.

All investments have certain risks. OFS is unable to represent, guarantee, or even imply our services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines. You must keep these and all other risks in mind:

Market Risk — Even a long-term investment approach cannot guarantee a profit. Economic, political and issuer-specific events will cause the value of securities to rise or fall. Because the value of investment portfolios will fluctuate, there is the risk that you will lose money and your investment may be worth more or less upon liquidation.

Foreign Securities and Currency Risk — Investments in international and emerging market securities include exposure to risks such as currency fluctuations, foreign taxes and regulations, and the potential for illiquid markets and political instability in addition to market risk.

Capitalization Risk — Small-cap and mid-cap companies may be hindered as a result of limited resources or less diverse products or services, and their stocks have historically been more volatile than the stocks of larger, more established companies.

Interest Rate Risk — In a rising rate environment, the value of fixed-income securities generally declines.

Credit Risk — Credit risk is the risk that the issuer of a security may be unable to make interest payments and/or repay principal when due. A downgrade to an issuer's credit rating or a perceived change in an issuer's financial strength may affect a security's value and, thus, impact its or a fixed income mutual fund's performance.

Exchange-Traded Funds — ETFs face market-trading risks, including the potential lack of an active market for shares, losses from trading in the secondary markets and disruption in the creation/redemption process of the ETF. Any of these factors may lead to the fund's shares trading at either a premium or a discount to its "net asset value."

Performance of Underlying Managers — When we select mutual funds and ETFs we depend on the manager of such funds to select individual investments in accordance with their stated investment strategy.

Liquidity Risk -- Liquidity risk is a financial risk that for a certain period of time a given financial asset, security cannot be traded quickly enough in the market without impacting the market price.

We encourage clients to carefully consider committing to equity investment management only those funds that can be invested on a long-term basis usually at least 7 years, and to expect sometimes erratic price movements from investing in equity securities. Your age, your feelings about risk, your financial situation and the time before you will need your money will all determine your tolerance for risk. Risk for most people is defined by the risk of losing money. If you invest in stocks you will from

time to time experience unrealized losses in your account(s). If you cannot emotionally handle losing money or if you are close to needing the money you are investing you must limit the possibility of suffering a huge loss by limiting your exposure to equity investments.

Recommendation of Particular Types of Securities

We primarily recommend ETF, and Mutual Funds. However, we may advise on other types of investments as appropriate for you since each client has different needs and different tolerance for risk. Each type of security has its own unique set of risks associated with it and it would not be possible to list here all of the specific risks of every type of investment. Even within the same type of investment, risks can vary widely. However, in very general terms, the higher the anticipated return of an investment, the higher the risk of loss associated with the investment.

Money Market Funds: A money market fund is technically a security. The fund managers attempt to keep the share price constant at \$1/share. However, there is no guarantee that the share price will stay at \$1/share. If the share price goes down, you can lose some or all of your principal. The U.S. Securities and Exchange Commission ("SEC") notes that "While investor losses in money market funds have been rare, they are possible." In return for this risk, you should earn a greater return on your cash than you would expect from a Federal Deposit Insurance Corporation ("FDIC") insured savings account (money market funds are not FDIC insured). Next, money market fund rates are variable. In other words, you do not know how much you will earn on your investment next month. The rate could go up or go down. If it goes up, that may result in a positive outcome. However, if it goes down and you earn less than you expected to earn, you may end up needing more cash. A final risk you are taking with money market funds has to do with inflation. Because money market funds are considered to be safer than other investments like stocks, long-term average returns on money market funds tend to be less than long-term average returns on riskier investments. Over long periods of time, inflation can eat away at your returns.

Certificates of Deposit: Certificates of deposit ("CD") are generally a safe type of investment since they are insured by the Federal Deposit Insurance Company ("FDIC") up to a certain amount. However, because the returns are generally low, there is risk that inflation outpaces the return of the CD. Certain CDs are traded in the marketplace and not purchased directly from a banking institution. In addition to trading risk, when CDs are purchased at a premium, the premium is not covered by the FDIC.

Municipal Securities: Municipal securities, while generally thought of as safe, can have significant risks associated with them including, but not limited to: the credit worthiness of the governmental entity that issues the bond; the stability of the revenue stream that is used to pay the interest to the bondholders; when the bond is due to mature; and, whether or not the bond can be "called" prior to maturity. When a bond is called, it may not be possible to replace it with a bond of equal character paying the same amount of interest or yield to maturity.

Bonds: Corporate debt securities (or "bonds") are typically safer investments than equity securities, but their risk can also vary widely based on: the financial health of the issuer; the risk that the issuer might default; when the bond is set to mature; and, whether or not the bond can be "called" prior to maturity. When a bond is called, it may not be possible to replace it with a bond of equal character paying the same rate of return.

Stocks: There are numerous ways of measuring the risk of equity securities (also known simply as "equities" or "stock"). In very broad terms, the value of a stock depends on the financial health of the company issuing it. However, stock prices can be affected by many other factors including, but not limited to the class of stock (for example, preferred or common); the health of the market sector of the

issuing company; and the overall health of the economy. In general, larger, better established companies ("large cap") tend to be safer than smaller start-up companies ("small cap") are but the mere size of an issuer is not, by itself, an indicator of the safety of the investment.

Mutual Funds and Exchange Traded Funds: Mutual funds and exchange traded funds ("ETF") are professionally managed collective investment systems that pool money from many investors and invest in stocks, bonds, short-term money market instruments, other mutual funds, other securities, or any combination thereof. The fund will have a manager that trades the fund's investments in accordance with the fund's investment objective. While mutual funds and ETFs generally provide diversification, risks can be significantly increased if the fund is concentrated in a particular sector of the market, primarily invests in small cap or speculative companies, uses leverage (i.e., borrows money) to a significant degree, or concentrates in a particular type of security (i.e., equities) rather than balancing the fund with different types of securities. ETFs differ from mutual funds since they can be bought and sold throughout the day like stock and their price can fluctuate throughout the day. The returns on mutual funds and ETFs can be reduced by the costs to manage the funds. Also, while some mutual funds are "no load" and charge no fee to buy into, or sell out of, the fund, other types of mutual funds do charge such fees which can also reduce returns. Mutual funds can also be "closed end" or "open end". So-called "open end" mutual funds continue to allow in new investors indefinitely whereas "closed end" funds have a fixed number of shares to sell which can limit their availability to new investors.

ETFs may have tracking error risks. For example, the ETF investment adviser may not be able to cause the ETF's performance to match that of its Underlying Index or other benchmark, which may negatively affect the ETF's performance. In addition, for leveraged and inverse ETFs that seek to track the performance of their Underlying Indices or benchmarks on a daily basis, mathematical compounding may prevent the ETF from correlating with performance of its benchmark. In addition, an ETF may not have investment exposure to all of the securities included in its Underlying Index, or its weighting of investment exposure to such securities may vary from that of the Underlying Index. Some ETFs may invest in securities or financial instruments that are not included in the Underlying Index, but which are expected to yield similar performance.

Variable Annuities: A variable annuity is a form of insurance where the seller or issuer (typically an insurance company) makes a series of future payments to a buyer (annuitant) in exchange for the immediate payment of a lump sum (single-payment annuity) or a series of regular payments (regular-payment annuity). The payment stream from the issuer to the annuitant has an unknown duration based principally upon the date of death of the annuitant. At this point, the contract will terminate and the remainder of the funds accumulated forfeited unless there are other annuitants or beneficiaries in the contract. Annuities can be purchased to provide an income during retirement. Unlike fixed annuities that make payments in fixed amounts or in amounts that increase by a fixed percentage, variable annuities pay amounts that vary according to the performance of a specified set of investments, typically bond and equity mutual funds. Many variable annuities typically impose asset-based sales charges or surrender charges for withdrawals within a specified period. Variable annuities may impose a variety of fees and expenses, in addition to sales and surrender charges, such as mortality and expense risk charges; administrative fees; underlying fund expenses; and charges for special features, all of which can reduce the return. Earnings in a variable annuity do not provide all the tax advantages of 401(k)s and other before-tax retirement plans. Once the investor starts withdrawing money from their variable annuity, earnings are taxed at the ordinary income rate, rather than at the lower capital gains rates applied to other non-tax-deferred vehicles which are held for more than one year. Proceeds of most variable annuities do not receive a "step-up" in cost basis when the owner dies like stocks, bonds and mutual funds do. Some variable annuities offer "bonus credits." These are usually not free. In order to fund them, insurance companies typically impose mortality and expense charges and surrender charge periods. In an exchange of an existing annuity for a new annuity (so-called 1035

exchanges), the new variable annuity may have a lower contract value and a smaller death benefit; may impose new surrender charges or increase the period of time for which the surrender charge applies; may have higher annual fees; and provide another commission for the broker.

Real Estate Investment Trust: A real estate investment trust ("REIT") is a corporate entity which invests in real estate and/or engages in real estate financing. A REIT reduces or eliminates corporate income taxes. REITs can be publicly or privately held. Public REITs may be listed on public stock exchanges. REITs are required to declare 90% of their taxable income as dividends, but they actually pay dividends out of funds from operations, so cash flow has to be strong or the REIT must either dip into reserves, borrow to pay dividends, or distribute them in stock (which causes dilution). After 2012, the IRS stopped permitting stock dividends. Most REITs must refinance or erase large balloon debts periodically. The credit markets are no longer frozen, but banks are demanding, and getting, harsher terms to re-extend REIT debt. Some REITs may be forced to make secondary stock offerings to repay debt, which will lead to additional dilution of the stockholders. Fluctuations in the real estate market can affect the REIT's value and dividends.

Options Contracts: Options are complex securities that involve risks and are not suitable for everyone. Option trading can be speculative in nature and carry substantial risk of loss. It is generally recommended that you only invest in options with risk capital. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an underlying asset at a specific price on or before a certain date (the "expiration date"). The two types of options are calls and puts:

A call gives the holder the right to buy an asset at a certain price within a specific period of time. Calls are similar to having a long position on a stock. Buyers of calls hope that the price of the stock will increase substantially before the option expires.

A put gives the holder the right to sell an asset at a certain price within a specific period of time. Puts are very similar to having a short position on a stock. Buyers of puts hope that the price of the stock will fall before the option expires.

Selling options is more complicated and can be even riskier.

The option trading risks pertaining to options buyers are:

- Risk of losing your entire investment in a relatively short period of time.
- The risk of losing your entire investment increases if, as expiration nears, the stock is below the strike price of the call (for a call option) or if the stock is higher than the strike price of the put (for a put option).
- European style options which do not have secondary markets on which to sell the options prior to expiration can only realize their value upon expiration.
- Specific exercise provisions of a specific option contract may create risks.
- Regulatory agencies may impose exercise restrictions, which stops you from realizing value.

The option trading risks pertaining to options sellers are:

- Options sold may be exercised at any time before expiration.
- Covered Call traders forgo the right to profit when the underlying stock rises above the strike price of the call options sold and continue to risk a loss due to a decline in the underlying stock.
- Writers of Naked Calls risk unlimited losses if the underlying stock rises.
- Writers of Naked Puts risk substantial losses if the underlying stock drops.
- Writers of naked positions run margin risks if the position goes into significant losses. Such risks may include liquidation by the broker.

- Writers of call options could lose more money than a short seller of that stock could on the same rise on that underlying stock. This is an example of how the leverage in options can work against the option trader.
- Writers of Naked Calls are obligated to deliver shares of the underlying stock if those call options are exercised.
- Call options can be exercised outside of market hours such that effective remedy actions cannot be performed by the writer of those options.
- Writers of stock options are obligated under the options that they sold even if a trading market is not available or that they are unable to perform a closing transaction.
- The value of the underlying stock may surge or decline unexpectedly, leading to automatic exercises.

Other option trading risks are:

- The complexity of some option strategies is a significant risk on its own.
- Option trading exchanges or markets and option contracts themselves are open to changes at all times.
- Options markets have the right to halt the trading of any options, thus preventing investors from realizing value.
- Risk of erroneous reporting of exercise value.
- If an options brokerage firm goes insolvent, investors trading through that firm may be affected.
- Internationally traded options have special risks due to timing across borders.

Risks that are not specific to options trading include market risk, sector risk and individual stock risk. Option trading risks are closely related to stock risks, as stock options are a derivative of stocks.

Item 9 Disciplinary Information

Registered investment advisors are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of OFS or the integrity of OFS's management. We have no legal or disciplinary events for a client or prospective client to consider.

Item 10 Other Financial Industry Activities and Affiliations

Oldfather Financial Services, LLC is not affiliated with any company in the financial services industry. To minimize any conflicts of interest between ourselves and our clients we are not registered as registered representative of any broker dealer. Oldfather Financial Services, LLC is registered with the United States Securities and Exchange Commission (SEC) as a Registered Investment Advisor. We receive no monetary compensation from any custodian, advisor, broker, insurance company, issuer of securities or other third parties. (see Item # 12).

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

A. Code of Ethics.

OFS has adopted a Code of Ethics pursuant to Rule 204A-1 of the Investment Advisers Act of 1940, which applies to all supervised persons of the firm and describes our firm's high standard of business conduct and fiduciary duty to clients. Our Code of Ethics and other ethical rules and guidelines are designed to prevent prohibited acts and eliminate potential conflicts of interests and demonstrate our

commitment to our fiduciary duties to our clients. Prohibitions against over-reaching, self-dealing, insider trading and the appearance of actual conflicts of interest are set forth in these ethics rules. The ethics rules forbid any officer or employee from trading, either personally or on the behalf of others, on material non-public information or communicating material non-public information to others in violation of the law.

The ethics rules provide that covered persons must obtain advanced approval for certain personal securities transactions including transactions for the accounts of spouses, minor children and family members sharing the covered person's household. In addition, the ethics rules set forth restrictions on the receipt of gifts, outside employment, maintenance of brokerage accounts, and other matters by our employees. A copy of our Code of Ethics is available upon request.

B., C., and D. Client Recommendations.

From time to time, we may recommend to clients that they buy or sell stocks, bonds, mutual funds, ETF's, or other securities that the firm, employees or the relatives of employees may also own. All related persons are governed by investment restrictions, prohibitions and requirements established by our Policies and Procedures and Code of Ethics. These Policies and Procedures and Code of Ethics are intended to ensure that the interests of our clients come first. All of the securities we purchase for clients and related persons and relatives of the firm are securities that are publicly traded in high volumes and the affected trades are for relatively low dollar volumes when compared to the entire market. These trades would have no noticeable effect on market prices for the affected securities.

Participation or Interest in Client Transactions

Neither our firm nor any persons associated with our firm has any material financial interest in client transactions beyond the provision of investment advisory services as disclosed in this brochure.

Personal Trading Practices

Our firm or persons associated with our firm may buy or sell the same securities that we recommend to you or securities in which you are already invested. A conflict of interest exists in such cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To mitigate this conflict of interest, it is our policy that neither our firm nor persons associated with our firm shall have priority over your account in the purchase or sale of securities.

Aggregated Trading

Our firm or persons associated with our firm may buy or sell securities for you at the same time we or persons associated with our firm buy or sell such securities for our own account. We may also combine our orders to purchase securities with your orders to purchase securities ("aggregated trading"). Refer to the *Brokerage Practices* section in this brochure for information on our aggregated trading practices.

A conflict of interest exists in such cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To eliminate this conflict of interest, it is our policy that neither our firm nor persons associated with our firm shall have priority over your account in the purchase or sale of securities.

Item 12 Brokerage Practices

A. Factors Considered in Recommending Brokers.

Our goal is to fulfill our fiduciary obligation when we choose where we place our client's trades. Client trades can be directed to many different venues and we must choose how and where these trades will be directed. Everything possible will be done to obtain the best possible outcome for our clients.

The factors we consider in selecting a custodian for your account(s) include; investment choices offered, financial stability, commission rates, integrity of custodian, quality of back office service, timely and favorable execution of trades, availability of securities and investment products and the quality of client reporting.

We currently recommend Charles Schwab Co., Inc. (Schwab) for custody of our client separate accounts. We set up and administer your account for you and you give us discretionary authority to trade in the account on your behalf. Schwab is a discount broker. Schwab charges commissions and collects fees from client accounts and the client pays us a fee for managing their accounts. We receive no commissions or other cash payments from Schwab. The only fees we receive come directly from our client. We are not affiliated with Schwab and we may recommend any custodian we feel is qualified. Although we recommend Schwab, it is the client's decision as to who they would like to custody their assets. If a client chooses another custodian it may increase their overall cost.

Schwab provides us with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. Schwab Institutional also makes available to us other products and services that benefit us but may not directly benefit our clients' accounts.

Schwab's products and services that assist us in managing and administering clients' accounts include software and other technology that (i) provides access to client account data (such as trade confirmations and account statements); (ii) facilitates trade execution; (iii) provides research, pricing and other market data; (iv) facilitates payment of our fees from client accounts; and (v) assists with back office functions, recordkeeping and client reporting. Schwab also provides market research and practice management information. These are standard services offered by many custodians. Because we use Schwab, Oldfather Financial Services, LLC does not have to produce or pay for these services. These services qualify for the safe harbor in section 28(e) of the Securities and Exchange Act of 1934.

Oldfather Financial Services, LLC may have an incentive to select or recommend a broker/custodian based on our interest in receiving services rather than on our client's receiving favorable execution. Clients may pay commissions (markups or markdowns) higher than those charged by other broker dealers in return for services. Any of these services received are used to service all client accounts and are not allocated to specific accounts. Services received in the last year include research, pricing and other market data, facilitating payment of our fees from client accounts, and assisting with back office functions, recordkeeping, client reporting. We also received practice management research and information.

Clients may direct us to use another broker/dealer or custodian for separate account managed accounts if they wish. Fees and costs may be higher or lower than Schwab.

For clients wishing to use OST the custodian will be Charles Schwab Co., Inc. (Schwab) and trade execution will be with Schwab.

B. Aggregating Trading

We combine multiple orders for shares of the same securities purchased for discretionary advisory accounts we manage (this practice is commonly referred to as "aggregated trading"). We will then distribute a portion of the shares to participating accounts in a fair and equitable manner. Generally, participating accounts will pay a fixed transaction cost regardless of the number of shares transacted. In certain cases, each participating account pays an average price per share for all transactions and pays a proportionate share of all transaction costs on any given day. In the event an order is only partially filled, the shares will be allocated to participating accounts in a fair and equitable manner,

typically in proportion to the size of each client's order. Accounts owned by our firm or persons associated with our firm may participate in aggregated trading with your accounts; however, they will not be given preferential treatment.

Trades in OST may be aggregated. There are no trading commissions charged to the client.

Mutual Fund Share Classes

Mutual funds are sold with different share classes, which carry different cost structures. Each available share class is described in the mutual fund's prospectus. When we purchase, or recommend the purchase of, mutual funds for a client, we select the share class that is deemed to be in the client's best interest, taking into consideration cost, tax implications, and other factors. When the fund is available for purchase at net asset value, we will purchase, or recommend the purchase of, the fund at net asset value. We also review the mutual funds held in accounts that come under our management to determine whether a more beneficial share class is available, considering cost, tax implications, and the impact of contingent deferred sales charges.

Item 13 Review of Accounts

Individual accounts are reviewed at least quarterly by the Investment Advisor Representative.

Accounts are reallocated as market or other conditions warrant. Accounts may also be reviewed if there is a change in investment objectives, a substantial change in the markets or the economy, at the maturity of fixed income securities and if cash or other assets are added or withdrawn. Accounts may also be reviewed with the client as requested at any time or on a regular basis either quarterly, semi-annually or annually. Clients are obligated to promptly notify Oldfather Financial Services, LLC of any changes in the client's financial status and to ensure that our investment strategies continue to meet the client's changing needs.

Clients receive standard account statements monthly from a qualified custodian either by mail or email if there is any activity in the account and quarterly if there is no activity. They receive confirmations of trades within a few days after they occur by mail or email.

Personal Financial Counseling and Financial Planning services are a one-time service. OFS has no duty to monitor or update financial plans. Clients may arrange for or request an update or subsequent reviews of their financial plans or consultations. This requires a new Financial Planning Agreement and an additional fee.

Item 14 Client Referrals and Other Compensation

A. We receive economic benefit from Schwab in the form of the support products and services it makes available to us. These products and services, how they benefit us, and related conflicts of interest are described in Item #12 above. The availability to us of Schwab's products and services is not based on us giving particular investment advice, such as buying particular securities for our clients.

B. OFS engages independent solicitors to provide client referrals. If a client is referred to us by a solicitor, this practice is disclosed to the client in writing by the solicitor and the Advisor pays the solicitor out of its own funds – specifically, the Advisor generally pays the solicitor a portion of fees earned for managing the capital of the client or investor that was referred. The use of solicitors is strictly regulated under applicable federal and state law. The Advisors policy is designed to fully comply with the requirements under Rule 206(4)3 of the Advisors Act as amended, and similar state rules, as applicable.

OFS may receive client referrals from online referral services that utilize algorithms to match clients seeking fiduciary personal investment management or financial planning services with independent investment advisors. These services are independent of and unaffiliated with OFS and there is no employee relationship between them. These services do not supervise the Advisor and have no responsibility for the Advisor's management of client portfolios or the Advisor's other advice or services. The Advisor pays the online referral service an on-going fee for each successful client referral. This fee paid to the referral service may be a flat annual fee or a percentage of the advisory fee that the referred client pays to the Advisor. The independent and unaffiliated referral service may be paid on a one time per referral basis. OFS will not charge clients referred through the service any fees or costs higher than its standard fee schedule offered to its clients. Information regarding additional or other fees paid directly or indirectly to an online referral service will be provided in a disclosure to the client.

Item 15 Custody

We do not maintain physical custody of your funds or securities; a qualified custodian, Charles Schwab or another custodian selected by you maintains custody of your assets. We establish relationships with nonaffiliated third-party clearing/custodying broker-dealers (qualified custodians as defined by Rule 206(4)2) who are responsible for taking custody of and maintaining all client funds and securities, as discussed in Item 12. The custodian sends confirmations and account statements directly to clients on at least a quarterly basis. These confirmations and account statements should be reviewed carefully by the client.

Oldfather Financial Services, LLC may be deemed to have custody of client funds because clients give us authority to deduct fees from their accounts.

Oldfather Financial Services uses Letters of Instruction authorized by the Client to move Client funds or securities maintained at qualified custodian to third parties at the clients request under the following circumstances:

The client provides an instruction to the qualified custodian, in writing, that includes the client's signature, the third party's name, and either the third party's address or the third party's account number at a custodian to which the transfer should be directed. 2) The client authorizes the investment adviser, in writing, either on the qualified custodian's form or separately, to direct transfers to the third party either on a specified schedule or from time to time. 3) The client's qualified custodian performs appropriate verification of the instruction, such as a signature review or other method to verify the client's authorization, and provides a transfer of funds notice to the client promptly after each transfer. 4) The client has the ability to terminate or change the instruction to the client's qualified custodian. 5) The investment adviser has no authority or ability to designate or change the identity of the third party, the address, or any other information about the third party contained in the client's instruction. 6) The investment adviser maintains records showing that the third party is not a related party of the investment adviser or located at the same address as the investment adviser. 7) The client's qualified custodian sends the client, in writing, an initial notice confirming the instruction and an annual notice reconfirming the instruction.

Other outside accounts such as company retirement plans we may watch for you, incorporate into your asset allocation and make recommendations for you but these accounts that are held at other custodians are non-discretionary accounts that we do not have the authority to trade. For these accounts it is your responsibility to make any recommended trades. OFS has no custody or power of attorney over these outside accounts.

From time to time and on no regular basis clients may receive statements from Oldfather Financial Services, LLC. Clients should compare them to the statements received from various custodians for accuracy. Fees we charge that are deducted directly from your brokerage account will be included in statements provided by the custodian.

Trustee Services

Persons associated with our firm may serve as trustees to certain accounts for which we also provide investment advisory services. In all cases, the persons associated with our firm have been appointed trustee as a result of a family or personal relationship with the trust grantor and/or beneficiary and not as a result of employment with our firm. Therefore, we are not deemed to have custody over the advisory accounts for which persons associated with our firm serve as trustee.

Wire Transfer and Standing Letter of Authorization

Our firm, or persons associated with our firm, may effect wire transfers from client accounts to one or more third parties designated, in writing, by the client without obtaining written client consent for each separate, individual transaction, as long as the client has provided us with written authorization to do so. Such written authorization is known as a Standing Letter of Authorization. An adviser with authority to conduct such third party wire transfers has access to the client's assets, and therefore has custody of the client's assets in any related accounts.

However, we do not have to obtain a surprise annual audit, as we otherwise would be required to by reason of having custody, as long as we meet the following criteria:

1. You provide a written, signed instruction to the qualified custodian that includes the third party's name and address or account number at a custodian;
2. You authorize us in writing to direct transfers to the third party either on a specified schedule or from time to time;
3. Your qualified custodian verifies your authorization (e.g., signature review) and provides a transfer of funds notice to you promptly after each transfer;
4. You can terminate or change the instruction;
5. We have no authority or ability to designate or change the identity of the third party, the address, or any other information about the third party;
6. We maintain records showing that the third party is not a related party to us nor located at the same address as us; and
7. Your qualified custodian sends you, in writing, an initial notice confirming the instruction and an annual notice reconfirming the instruction.

Item 16 Investment Discretion

We have discretionary authority to trade securities in client accounts that we manage. This means we make investment decisions and carry them out without getting approval for every trade. We follow the asset allocation approved by our client. See Item #8. As part of the Investment Advisory Agreement and the Custodian account agreement, the client gives us their power of attorney to trade in their account(s) for them.

Other outside accounts such as company retirement plans we may watch for you, incorporate into your asset allocation and make recommendations for you but these accounts that are held at other custodians are non-discretionary accounts that we do not have the authority to trade. For these accounts it is your responsibility to make any recommended trades. OFS has no custody or power of attorney over these outside accounts.

Other outside accounts such as company retirement plans we may watch for you, incorporate into your asset allocation and make recommendations for you but these accounts that are held at other custodians are non-discretionary accounts that we do not have the authority to trade. For these accounts it is your responsibility to make any recommended trades. OFS has no custody or power of attorney over these outside accounts.

You have the right to place reasonable restrictions on your accounts. You may also place reasonable restrictions on the discretionary power granted to us so long as the limitations are specifically set forth or included as an attachment to the Investment Advisory Agreement.

OFS does not assume market risk on behalf of the client. OFS does not guarantee the performance of the client's account or any specific level of performance. Market values of the securities within the account will fluctuate with market conditions. When the account is liquidated, it may be worth more or less than the original amount invested.

OFS does not provide legal or tax advice to clients. Clients are advised to discuss the possible legal or tax consequences of their investment decisions with their legal or tax advisors prior to effecting any transaction.

Item 17 Voting Client Securities

Oldfather Financial Services, LLC will vote proxies for all client accounts; however, you always have the right to vote proxies yourself. You can exercise this right by instructing us not to vote proxies in your account.

In accordance with its fiduciary duty to clients and Rule 206(4)6 of the Investment Advisors Act, Oldfather Financial Services, LLC has adopted and implemented written policies and procedures governing the voting of client securities. All proxies that Oldfather Financial Services, LLC receives will be treated in accordance with these policies and procedures.

Oldfather Financial Services, LLC has engaged the services of Broadridge's ProxyEdge platform to vote and maintain records of all proxies. The Broadridge open architecture platform allows Oldfather Financial Services, LLC to choose from several different proxy advisory firms to make recommendations on how our firm should vote the proxies. Oldfather Financial Services, LLC has selected Egan Jones as the current advisor. They consider the reputation, experience and competence of a company's management and board of directors when it evaluates an issuer's proxy.

Oldfather Financial Services, LLC's complete proxy voting policy, procedures, and those of Egan Jones are available for client review. In addition, our complete proxy voting record is available to our clients and only to our clients.

Class Action Suits

A class action is a procedural device used in litigation to determine the rights of and remedies, if any, for large numbers of people whose cases involve common questions of law and/or fact. Class action suits frequently arise against companies that publicly issue securities, including securities recommended by investment advisers to clients. Oldfather Financial Services, LLC has contracted with Broadridge Investor Communications to file Class Actions "Proof of Claim" forms. Clients may choose not to use this service.

Item 18 Financial Information

Oldfather Financial Services, LLC does not receive fees of more than \$1200 six months or more in advance and we do not have any financial condition that is reasonably likely to impair our ability to meet our contractual commitments to any client. We have not been the subject of any bankruptcy proceeding. Therefore, we are not required to provide any additional financial statements under this item.

Item 19 Requirements for State-Registered Advisers

Requirements for this section do not apply or are covered elsewhere in Form ADV Part 2A and 2B.

Item 20 Additional Information

Trade Errors

In the event a trading error occurs in your account, our policy is to restore your account to the position it should have been in had the trading error not occurred. Depending on the circumstances, corrective actions may include canceling the trade, adjusting an allocation, and/or reimbursing the account.

Class Action Lawsuits

We will assist you, in conjunction with your legal counsel or other professionals, in filing claims with the claims administrator to participate in any settlement proceeds related to class action settlements involving a security held in your portfolio. We may also work with your legal counsel to determine whether you are eligible to participate in class action litigation to recover damages on your behalf for injuries as a result of actions, misconduct, or negligence by issuers of securities held in your portfolio.

IRA Rollover Considerations

As part of our investment advisory services to you, we may recommend that you withdraw the assets from your employer's retirement plan and roll the assets over to an individual retirement account ("IRA") that we will manage on your behalf. If you elect to roll the assets to an IRA that is subject to our management, we will charge you an asset based fee as set forth in the agreement you executed with our firm. This practice presents a conflict of interest because persons providing investment advice on our behalf have an incentive to recommend a rollover to you for the purpose of generating fee based compensation rather than solely based on your needs. You are under no obligation, contractually or otherwise, to complete the rollover. Moreover, if you do complete the rollover, you are under no obligation to have the assets in an IRA managed by our firm.

Many employers permit former employees to keep their retirement assets in their company plan. Also, current employees can sometimes move assets out of their company plan before they retire or change jobs. In determining whether to complete the rollover to an IRA, and to the extent the following options are available, you should consider the costs and benefits of:

1. Leaving the funds in your employer's (former employer's) plan.
2. Moving the funds to a new employer's retirement plan.
3. Cashing out and taking a taxable distribution from the plan.
4. Rolling the funds into an IRA rollover account.

Each of these options has advantages and disadvantages and before making a change we encourage you to speak with your CPA and/or tax attorney.

If you are considering rolling over your retirement funds to an IRA for us to manage here are a few points to consider before you do so:

1. Determine whether the investment options in your employer's retirement plan address your needs or whether you might want to consider other types of investments.
 - a. Employer retirement plans generally have a more limited investment menu than IRAs.
 - b. Employer retirement plans may have unique investment options not available to the public such as employer securities, or previously closed funds.
2. Your current plan may have lower fees than our fees.
 - a. If you are interested in investing only in mutual funds, you should understand the cost structure of the share classes available in your employer's retirement plan and how the costs of those share classes compare with those available in an IRA.
 - b. You should understand the various products and services you might take advantage of at an IRA provider and the potential costs of those products and services.
3. Our strategy may have higher risk than the option(s) provided to you in your plan.
4. Your current plan may also offer financial advice.
5. If you keep your assets titled in a 401k or retirement account, you could potentially delay your required minimum distribution beyond age 72.
6. Your 401k may offer more liability protection than a rollover IRA; each state may vary.
 - a. Generally, federal law protects assets in qualified plans from creditors. Since 2005, IRA assets have been generally protected from creditors in bankruptcies. However, there can be some exceptions to the general rules so you should consult with an attorney if you are concerned about protecting your retirement plan assets from creditors.
7. You may be able to take out a loan on your 401k, but not from an IRA.
8. IRA assets can be accessed any time; however, distributions are subject to ordinary income tax and may also be subject to a 10% early distribution penalty unless they qualify for an exception such as disability, higher education expenses or the purchase of a home.
9. If you own company stock in your plan, you may be able to liquidate those shares at a lower capital gains tax rate.
10. Your plan may allow you to hire us as the manager and keep the assets titled in the plan name.

It is important that you understand the differences between these types of accounts and to decide whether a rollover is best for you. Prior to proceeding, if you have questions contact your investment adviser representative, or call our main number as listed on the cover page of this brochure.