

Item 1 – Cover Page

McDaniel Knutson Financial Partners
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March 1, 2013

This brochure provides information about the qualifications and business practices of McDaniel Knutson Financial Partners. If you have any questions about the contents of this Brochure, please contact us at (785) 841-4664 and/or kchester@mcdanielknutson.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about McDaniel Knutson Financial Partners also is available on the SEC's website at www.adviserinfo.sec.gov. The searchable IARD/CRD number for McDaniel Knutson Financial Partners is 114412.

Any references to McDaniel Knutson Financial Partners as a registered investment adviser or its related persons as registered advisory representatives does not imply a certain level of skill or training.

Item 2 - MATERIAL CHANGES

March 1, 2013

Item 4 – Ownership disclosure revised as follows:

Previous	MK has been in business since 1981. The principal owners (i.e. own 25% or more) are: Wayne L. McDaniel, Judith L. McDaniel and Peter D. Knutson.
Updated	MK has been in business since 1981. The principal owners (i.e. own 25% or more) are: Judith L. McDaniel and Peter D. Knutson.

January 22, 2013 Revisions

Item 4 – amendment assets under management from approximately \$103 million of client assets under our discretionary management in February 2012 to \$168,442,000 as of January 18, 2013

Removed reference to the wrap program in Item 4.D. MK no longer sponsors a wrap program.

Item 4 and 5 – Removed reference to the Program involving Evaluation and Ongoing Monitoring of Third Party Managers.

Amended the name of the broker/dealer from Financial Network Investment Corporation to Cetera Advisor Networks LLC.

Item 12 – Included the following disclosures about the relationship with TD Ameritrade. Removed reference to FTJ.

MK participates in the institutional advisor program (the “Program”) offered by TD Ameritrade Institutional. TD Ameritrade Institutional is a division of TD Ameritrade Inc., member FINRA/SIPC/NFA (“TD Ameritrade”), an unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade offers to independent investment advisors services which include custody of securities, trade execution, clearance and settlement of transactions. MK receives some benefits from TD Ameritrade through its participation in the Program. (Please see the disclosure under Item 14. below.)

Item 14 – Added the following disclosure.

As disclosed under Item 12. above, MK participates in TD Ameritrade’s institutional customer program and MK may recommend TD Ameritrade to Clients for custody and brokerage services. There is no direct link between MK’s participation in the program and the investment advice it gives to its Clients, although MK receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate Client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving MK participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to Client accounts); the ability to have advisory fees deducted directly from Client accounts; access to an electronic communications network for Client order entry and account information; access to mutual

McDaniel Knutson Financial Partners

funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to MK by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by MK's related persons. Some of the products and services made available by TD Ameritrade through the program may benefit MK but may not benefit its Client accounts. These products or services may assist MK in managing and administering Client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help MK manage and further develop its business enterprise. The benefits received by MK or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, MK endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by MK or its related persons in and of itself creates a potential conflict of interest and may indirectly influence the MK's choice of TD Ameritrade for custody and brokerage services.

At least annually, this section will discuss only specific material changes that are made to the Brochure and provide you with a summary of such changes. Additionally, reference to the date of the last annual update to this Brochure will be provided.

The material changes discussed above are only those changes that have been made to this brochure since the firm's last annual update of the brochure. The date of the last annual update of the brochure was March 2, 2012.

In the past, we have offered or delivered information about our qualifications and business practices to clients on at least an annual basis. Pursuant to new SEC Rules, we will ensure that you receive a summary of any material changes to this and subsequent brochures within 120 days of the close of our fiscal year, which is December 31st. We may further provide other ongoing dis-closure information about material changes as necessary.

Additionally, we will further provide you with a new brochure as necessary based on change or new information, at any time, without charge.

Our brochure may be requested free of charge by contacting Karey Chester at (785) 841-4664 and/or kchester@mcdanielknutson.com. Additional information about McDaniel Knutson Financial Partners is also available via the SEC's website www.adviser.sec.gov. The website also provides information about any persons affiliated with McDaniel Knutson Financial Partners who are registered, or are required to be registered, as investment adviser representatives of McDaniel Knutson Financial Partners.

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Item 4 - ADVISORY BUSINESS

McDaniel Knutson Financial Partners (hereinafter referred to as “MK”) is an investment advisory firm offering a variety of advisory services customized to your individual needs.

- A. MK has been in business since 1981. The principal owners (i.e. own 25% or more) are: Judith L. McDaniel and Peter D. Knutson.
- B. MK offers the following advisory services. Each of the services is more fully described below.
 - Asset Management Services
 - Financial Planning
- C. MK tailors the advisory services it offers to your individual needs. You may impose restrictions and/or limitations on the investing in certain securities or types of securities.

MK will meet with you to gather information about you and construct a plan to assist you in working toward your financial goals and objectives. MK will use a combination of interviews, discussions and questionnaires to assist MK with obtaining information about your financial situation and history. Depending on the services you have requested, MK will gather various financial information and history from you including, but not limited to:

- Retirement and financial goals
 - Investment objectives
 - Investment horizon
 - Financial needs
 - Assets and liabilities, cash flow
 - Cost of living needs
 - Education needs
 - Savings tendencies
 - Employment
 - Investment and savings accounts
 - Other applicable financial information required by MK in order to provide the investment advisory services requested.
- D. MK does not participate in any wrap fee programs. MK offered a wrap program through FTJ Fundchoice which may still have historical accounts. However, the wrap program is no longer offered and is considered closed.
- E. As of January 18, 2013, we have approximately \$168,442,000 million of client assets under our discretionary management. All assets under management are managed on a discretionary basis. Therefore, MK has no non-discretionary client assets under management.

Asset Management Services

MK provides Investment Supervisory services utilizing various asset allocation strategies with different types of investments, including mutual funds, variable annuities, stocks and other securities. Clients may invest in one or more Model Portfolios or accounts may be individually tailored. In any case, investment strategies are designed to meet client objectives. We offer the following Model Portfolios or Investment Strategies:

All Star Portfolios. All Star Portfolios invest primarily in mutual funds and exchange traded funds (ETFs). Investments are selected for long term holding to create a diversified portfolio with an emphasis upon downside risk protection.

Alpha Strategies. This is a concentrated investment strategy which typically invests in three to five mutual funds, annuity sub-accounts or ETF's. Funds are selected based upon a proprietary formula which emphasizes "Alpha." Funds are held as long as this measure of Alpha meets certain conditions, which is typically from a few weeks to several months. All types of funds may be utilized, including equity, bond and cash. We offer conservative, moderate and growth Alpha models.

Dynamic Growth. Dynamic Growth is similar to Alpha, but with a greater emphasis upon momentum and "potential" growth. It will typically be invested 100% in stock funds, but may at times hold high positions in money market or bonds for defensive purposes. It may also employ, for limited time periods leveraged and short funds, either for appreciation potential or for hedging other positions.

Dividend Income. Dividend income is designed to generate income from dividend paying securities, whether they are individual stocks and bonds, mutual funds, exchange traded funds or closed end funds.

Dynamic Bond. Dynamic Bond invests in different types of bond and currency funds, actively buying, selling and rotating between them depending upon their trend. The objective is to conserve principal while obtaining above average yields.

Dynamic Munibond. Dynamic Munibond invests in tax free municipal bond funds when the trend is favorable. When unfavorable, it will be invested in government bond or money market funds.

Social Balanced. Social Balanced invests in a portfolio of socially responsible funds which screen companies for such items as eco-friendliness, human rights, ethical practices and community relationships. Our management of this portfolio incorporates aspects of both All Star and Dynamic models.

MK will schedule a meeting with you and present the recommended portfolio allocation. Upon your approval, MK will implement the portfolio allocation. MK will provide continuous and ongoing management of your account. Based on client's investment objectives, risk tolerance and financial

situation and using the model portfolios or investment strategies above as a guide, MK will manage the account on a continuous basis.

MK will manage the account and will make changes to the allocation as deemed appropriate by MK. MK will determine the securities to be purchased and sold in the account and will alter the securities holdings from time to time, without prior consultation with you. MK may actively trade securities and hold such holdings for periods of 30 days or less or maintain positions for longer or shorter term periods. Discretionary authority will be granted by you to MK by execution of the Asset Management agreement.

You are advised transactions in the account, account reallocations and rebalancing may trigger a taxable event, with the exception of IRA accounts, 403(b) accounts and other qualified retirement accounts.

Financial Planning Services

MK offers financial, estate, tax, business, retirement and educational planning services. Further, MK offers analysis in areas involving budgeting and cash flow and fringe benefit analysis. In addition, MK provides a service referred to as a "Document Directory (DD)." The DD is a tool to help clients organize and maintain records which may be of value in the event of death or disability.

Planning services are based on your financial situation at the time and are based on financial information disclosed by you to MK. You are advised that certain assumptions may be made with respect to interest and inflation rates and use of past trends and performance of the market and economy. However, past performance is in no way an indication of future performance. MK cannot offer any guarantees or promises that your financial goals and objectives will be met. Further, you should continue to review the plan and update the plan based upon changes in your financial situation, goals, or objectives or changes in the economy. Should your financial situation or investment goals or objectives change, you must notify MK promptly of the changes.

You are not obligated to implement advice through MK or Advisory Representatives. Should you implement the plan with MK's Advisory Representatives commissions or other compensation may be received in addition to the advisory fee paid to MK.

General Information

You are advised the investment recommendations and advice offered by MK are not legal advice or accounting advice. You should coordinate and discuss the impact of financial advice with your attorney and/or accountant. You are advised that it is necessary to inform MK promptly with respect to any changes in your financial situation and investment goals and objectives. Failure to notify MK of any such changes could result in investment recommendations not meeting your needs.

Item 5 - FEES AND COMPENSATION

Asset Management Services

Fees are negotiable and are not based on a share of capital gains upon or capital appreciation of the funds or any portion of the funds.

You may make additions to the Account or withdrawals from the Account, provided the Account continues to meet minimum account size requirements. No fee adjustments will be made for Account appreciation or depreciation. Your fee is solely based on the average daily value of the account.

Standard Fee Schedule

Account Size	FTJ Admin Fee	MK Management Fee	MK Management Fee
Up to \$100,000	0.25%	1.75%	2.00%
\$100,001 to \$500,000	0.25%	1.25%	1.50%
\$500,001 to \$1,000,000	0.25%	1.00%	1.25%
Over \$1,000,000	0.25%	0.75%	1.00%

Fee calculation formula:

Average daily value x Annual % * (number of days in the period/365) = quarterly fee

Fees are determined based on each account size. Therefore, if you have multiple accounts you will pay a fee based on each average daily account value. Consequently, depending on the account size, each account will be charged a different fee. MK does not aggregate all accounts together to determine the fee.

For accounts held at FTJ Fundchoice, the fees will be billed on a monthly basis in arrears of each calendar month. The monthly fee will be calculated based on the average daily balance of the account for that month.

ING Kansas Board of Regents and TIAA/CREF Accounts

Prior to retirement, ING Kansas Board of Regents and TIAA/CREF accounts are charged \$600 annually.

1. \$50 per month in arrears
2. \$150 per quarter in arrears
3. \$600 annually invoiced in July for the entire current calendar year.

After retirement the *Standard Fee Schedule* will apply

Variable Annuity Accounts and Security Benefit 403b7 Accounts

The fee is a flat 0.50%.

MK may change the above fee schedules upon 30-days prior written notice to you.

Fees will be billed on a quarterly basis in arrears of each quarter. The quarterly fee will be calculated based on the average daily balance of the account for that quarter.

Additional Fee Information Applying to the Above Accounts

An initial evaluation and consultation fee (i.e. set-up consultation fee) of up to 1.0% of the portfolio value may be charged in addition to the annual management fee outlined above. The fee will be calculated based on the value of the account as of the date of account establishment and the account being fully funded. This is one time fee.

Advisory fees will generally be collected directly from your account, provided you have given MK written authorization. You will be provided with an account statement reflecting the deduction of the advisory fee direct from the account custodian. If the Account does not contain sufficient funds to pay advisory fees, MK has limited authority to sell or redeem securities in sufficient amounts to pay advisory fees. You may reimburse the account for advisory fees paid to MK, except for ERISA and IRA accounts.

Additionally, you may pay fees for custodial services, account maintenance fees, and other fees associated with maintaining the Account. Such fees are not charged by MK and are charged by the product, broker/dealer or account custodian. MK does not share in any portion of such fees. Additionally, you may pay your proportionate share of the fund's management and administrative fees and sales charges as well as the mutual fund adviser's fee of any mutual fund they purchase. Such advisory fees are not shared with MK and are compensation to the fund-manager. You should read the mutual fund prospectus for information about costs and fees associated with the mutual fund.

You are advised Advisory Representatives of MK are dually registered representatives of Cetera Advisor Networks LLC ("Cetera"), a registered broker/dealer, member of the Financial Regulatory Authority (FINRA) and SIPC. Advisory Representatives of MK who are Registered Representative may receive trail commissions (i.e. 12b-1 fees) for a period of time as a result of directing securities transactions through Cetera. Load and no-load mutual funds may pay annual distribution charges, sometimes referred to as 12b-1 fees. 12b-1 fees come from fund assets, therefore, indirectly from your assets. 12b-1 fees may be initially paid to Cetera and a portion passed to the Advisory Representatives. The receipt of such fees could represent an incentive for the Advisory Representatives to recommend funds with 12b-1 fees over funds that have no fees or lower fees. As a result, there is a potential conflict of interest.

As stated above, MK recommends mutual funds that pay 12b-1 fees and no-load funds.

You may purchase the securities recommended by MK directly or through other brokers or agents not affiliated with MK.

Termination Provisions

You may terminate investment advisory services obtained from MK, without penalty, upon written notice within ten (10) business days after entering into the advisory agreement with MK. You will

be responsible for any fees and charges incurred from third parties as a result of maintaining the account such as transaction fees for any securities transactions executed and Account maintenance or custodial fees. Thereafter, you may terminate advisory services with 10-days prior written notice to MK, unless otherwise stipulated in your advisory agreement. Any unpaid fees that have been earned by MK shall be due and payable to MK within 15 days of termination. Any prepaid fees will be refunded to you within 15 days of termination.

After five (5) business days of execution of the advisory agreement, no portion of the initial evaluation and consultation fee will be reimbursed. The fee covers initial research and development of your portfolio allocation.

Financial Planning Services

You are advised that fees for planning services are strictly for planning services. Therefore, you may pay fees and/or commissions for additional services obtained such as asset management or products purchased such as securities or insurance.

Fees are negotiable.

Fee Type	Maximum Fee	Payable
Planning	\$5,000	Payable upon satisfactory completion of the plan.
Document Directory	\$250	The fee will be waived if MK is the investment adviser on accounts totaling at least \$250,000
Hourly Fee	\$120 per hour	Payable as services are rendered.

Termination Provisions

The term of the Advisory agreement will be determined upon execution of the agreement. Generally, comprehensive financial planning is for the initial development of the plan, but includes additional consultation regarding its implementation for up to twelve months.

You may terminate the agreement within five (5) business days and you will receive a full refund of all prepaid advisory fees. Thereafter, you may terminate the agreement at any time with (10) days prior notice to MK. Notice of termination shall be in writing. Any prepaid fees shall be refunded to the Client upon termination for any reason. There is no provision for refunds for work which has already been performed. However, if the client is not satisfied with the planning work done, no fee will be charged.

Item 6 - PERFORMANCE-BASED FEES AND SIDE BY SIDE MANAGEMENT

This section is not applicable to MK since MK does not charge performance based fees.

Item 7 - TYPES OF CLIENTS

MK's services are geared toward individuals both high net worth (i.e. clients with a net worth of \$1,500,000) and other than high net worth, trusts, estates, charitable organizations and corporations and other business entities.

MK does not enforce any minimum requirements to obtain advisory services from MK.

Item 8 - METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

- A. MK uses a combination of technical, fundamental, sentiment and pattern analysis to formulate investment advice. Fundamental analysis generally involves assessing a company's or security's value based on factors such as sales, assets, markets, management, products and services, earnings, and financial structure. Technical analysis generally involves studying trends and movements in a security's price, trading volume, and other market-related factors in an attempt to discern patterns. Sentiment analysis means analysis of indicators that gauge investor attitudes toward the market. The indicators help to quantify the levels of optimism or pessimism present in various markets. Pattern analysis involves the study of patterns in the market in an effort to determine trends based on all other analyses.
- B. You are advised investing in securities involves risk of loss, including the potential loss of principal. Therefore, your participation in any of the management programs offered by MK will require you to be prepared to bear the risk of loss and fluctuating performance. No amount of analysis strategy can predict the market or protect against investment loss.

MK does not represent, warrant or imply that the services or methods of analysis used by MK can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to major market corrections or crashes. Past performance is no indication of future performance. No guarantees can be offered that your goals or objectives will be achieved. Further, no promises or assumptions can be made that the advisory services offered by MK will provide a better return than other investment strategies.

- C. MK primarily uses mutual funds, variable annuities and exchange traded funds (ETFs). Additionally, where suitable, MK will utilize individual stocks and bonds. The risks with mutual funds include the costs and expenses within the fund that can impact performance, change of managers and the fund straying from its objective. Open ended mutual funds do not typically have a liquidity issue and the price does not fluctuate throughout the trading day. Mutual fund fees are described in the fund's prospectus, which the custodian mails directly to the client following any purchase of a mutual fund that is new to the client's account. In addition, a prospectus is available online at each mutual fund company's Web site. At the client's request at any time MK will direct the client to the appropriate Web page to access the prospectus.

ETFs trade on an auctionable market. Therefore, there is more price fluctuation with ETFs than with mutual funds since ETFs trade throughout the day, whereas mutual funds are priced once a day. Also, since most ETFs only mirror a market index, such as the S&P 500, they won't outperform the index. The risks with stocks and bonds are that their prices fluctuate throughout the day. Stocks can drop in value and become worthless. The risks with bonds are interest rate, inflation and credit risk. Credit risk is the risk that the bond issuer will be unable to make its payments on time or at all, effectively defaulting on the bonds.

Item 9 - DISCIPLINARY INFORMATION

There is no reportable disciplinary information required for MK or its management persons that is material to your evaluation of MK, its business or its management persons.

Item 10 - OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

- A As previously stated, Advisory Representatives are dually registered as an advisory representative of MK and as a registered representative of Cetera. You are under no obligation to purchase or sell securities through your Advisory Representative. However, if you choose to implement the plan, commissions may be earned in addition to any fees paid for advisory services. Commissions may be higher or lower at Cetera than at other broker/dealers. Advisory Representatives may have a conflict of interest in having you purchase securities and/or insurance related products through Cetera in that the higher their production with Cetera the greater potential for obtaining a higher pay-out on commissions earned.

Since Advisory Representatives are involved in the marketing of investment and insurance products, there exists a possible conflict of interest through the receipt of additional fees or MK takes the following steps to minimize these conflicts; 1) Planning is first done at the strategic level, separate from specific product recommendations; 2) MK tailors all recommendations based upon the specific needs of each client, as opposed to using pre-packaged solutions; 3) MK is independent, not limited to a specific company's investment funds; 4) The client is under no obligation to purchase any products from us; 5) MK offers fee-based investment management and insurance services which utilize no-load products and therefore remove the primary conflict of interest which exists when commission products are being sold.

MK attempts to mitigate the conflicts of interest with the potential receipt of commissions if recommendations are implemented by providing you with these disclosures. You are encouraged to consult other professionals and may implement recommendations through other financial professionals. Furthermore, as a registered representative with Cetera, Advisory Representatives are subject to a supervisory structure at Cetera for securities business.

- B,C. MK is not and does not have a related person who is a: futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person of the foregoing entities. Further, MK is not and does not have a related person who is: broker/dealer or other similar type of broker or dealer; investment company or other pooled investment vehicle, other

investment adviser or financial planner; futures commission merchant or commodity pool operator; banking or thrift institution; accountant or accounting firm; lawyer or law firm; insurance company or agency; pension consultant; real estate broker or dealer; or sponsor or syndicator of a limited partnership.

Item 11 - CODE OF ETHICS, PARTICIPATION OF INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Code of Ethics

- A. MK has a fiduciary duty to you to act in your best interest and always place your interests first and foremost. MK takes seriously its compliance and regulatory obligations and requires all staff to comply with such rules and regulations as well as MK's policies and procedures. Further, MK strives to handle your non-public information in such a way to protect information from falling into hands that have no business reason to know such information and provides you with MK's Privacy Policy. As such, MK maintains a code of ethics for its Advisory Representatives, supervised persons and staff. The Code of Ethics contains provisions for standards of business conduct in order to comply with federal securities laws, personal securities reporting requirements, pre-approval procedures for certain transactions, code violations reporting requirements, and safeguarding of material non-public information about your transactions. Further, MK's Code of Ethics establishes MK's expectation for business conduct. A copy of our Code of Ethics will be provided to you upon request.
- B. Neither MK nor its associated persons recommends to clients or buys or sells for client accounts any securities in which we have a material financial interest.
- C. MK and its associated persons may buy or sell securities identical to those securities recommended to you. Therefore, MK and/or its associated persons may have an interest or position in certain securities that are also recommended and bought or sold to you. MK and its associated persons will not put their interests before your interest. MK and its associated persons may not trade ahead of you or trade in such a way to obtain a better price for themselves than for you or other clients.
- D. MK is required to maintain a list of all securities holdings for its associated persons and develop procedures to supervise the trading activities of associated persons who have knowledge of your transactions and their related family accounts at least quarterly. Further, associated persons are prohibited from trading on non-public information or sharing such information.

You have the right to decline any investment recommendation. MK and its associated persons are required to conduct their securities and investment advisory business in accordance with all applicable Federal and State securities regulations.

Item 12 - BROKERAGE PRACTICES

As previously stated, Advisory Representatives are registered representatives of Cetera. As a result they are subject to FINRA Conduct Rule 3040 which may restrict such them from conducting securities transactions away from Cetera unless Cetera provides written authorization. Advisory Representatives have obtained approval to offer you the ability to maintain accounts through Cetera at its clearing firm or through TD Ameritrade Institutional.

MK participates in the institutional advisor program (the “Program”) offered by TD Ameritrade Institutional. TD Ameritrade Institutional is a division of TD Ameritrade Inc., member FINRA/SIPC/NFA (“TD Ameritrade “), an unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade offers to independent investment advisors services which include custody of securities, trade execution, clearance and settlement of transactions. MK receives some benefits from TD Ameritrade through its participation in the Program. (Please see the disclosure under Item 14. below.)

MK is independently owned and operated and not affiliated with TD Ameritrade or Cetera.

You are advised that not all investment advisers require you to maintain accounts at a specific broker/dealer. You are advised you may maintain accounts at another broker/dealer. However, the services provided by MK will be limited to only advice and will not include implementation. If you select another brokerage firm for custodial and/or brokerage services you will not be able to receive asset management services from MK.

In initially selecting Cetera and TD Ameritrade, MK conducted due diligence. MK’s evaluation and criteria includes:

- Ability to service you
- Staying power as a company
- Industry reputation
- Ability to report to you and to MK
- Availability of a efficient trading platform
- Products and services available
- Technology resources
- Educational resources
- Execution capability
- Financial responsibility and viability
- Confidentiality and security of your information
- Responsiveness
- Other factors that may bear on the overall evaluation of best price and execution

Best execution does not simply mean the lowest transaction cost. Therefore, no single criteria will validate nor invalidate a custodian, but rather, all criteria taken together will be used in evaluating the currently utilized custodian.

You are advised there is an incentive for MK and the Advisory Representatives to recommend one broker/dealer over another based on the products and services that will be received rather than your best interest.

Cetera and TD Ameritrade make available to MK other products and services that benefit MK but may not directly benefit you. Some of these other products and services assist MK with managing and administering your accounts. These include software and other technology that provide access to your account data (such as trade confirmation and account statements); facilitate trade execution; provide research, pricing information and other market data; facilitate payment of MK's fees from your accounts; and assist with back-office functions; recordkeeping and client reporting. Many of these services generally may be used to service all or a substantial number of MK 's accounts, including accounts not held through Cetera.

MK may aggregate ("bunch") transactions in the same security on behalf of more than one client in an effort to strive for best execution and to possibly reduce the price per share and/or other costs to clients. However, aggregated or bunched orders will not reduce the transaction costs to participating clients. Adviser conducts aggregated transactions in a manner designed to ensure that no participating client is favored over another client. Participating clients will obtain the average share price per share for the security executed that day. To the extent the aggregated order is not filled in its entirety and when possible, securities purchased or sold in an aggregated transaction will be allocated on a random basis. Under certain circumstances, the amount of securities maybe increased or decreased to avoid holding odd-lot or a small number of shares for particular clients.

Item 13 - REVIEW OF ACCOUNTS

- A. If you are participating in the Asset Management Services you will have reviews not less than at least annually or as agreed by you and your Advisory Representative. You may request more frequent reviews and may set thresholds for triggering events that would cause a review to take place. Your Advisory Representative will monitor for changes or shifts in the economy, changes to the management and structure of a mutual fund or company in which your assets are invested, and market shifts and corrections.
- B. You are advised that you must notify your Advisory Representative promptly of any changes to your financial goals, objectives or financial situation as such changes may require a review of the potfolio allocation and make recommendations for changes.
- C. You will be provided statements at least quarterly direct from the account custodian. Additionally, you will receive confirmations of all transactions occuring direct from the account custodian. At least annually when you attend the annual review, MK will provide you with a consolidated report of your managed account. You should compare the report with statements received direct from the account custodian. Should there be any discrepancy the account custodian's report will prevail.

If you are participating in Financial, Retirement and College Planning Services you will not receive regular reviews. MK recommends you have at least an annual review and update to any plans.

However, the time and frequency of the reviews is solely your decision. Additionally, you will be charged review fees based on the fee schedule disclosed under the program. Other than the initial plan or analysis, there will be no other reports issued.

Item 14 - CLIENT REFERRALS AND OTHER COMPENSATION

- A. As disclosed under Item 12. above, MK participates in TD Ameritrade's institutional customer program and MK may recommend TD Ameritrade to Clients for custody and brokerage services. There is no direct link between MK's participation in the program and the investment advice it gives to its Clients, although MK receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate Client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving MK participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to Client accounts); the ability to have advisory fees deducted directly from Client accounts; access to an electronic communications network for Client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to MK by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by MK's related persons. Some of the products and services made available by TD Ameritrade through the program may benefit MK but may not benefit its Client accounts. These products or services may assist MK in managing and administering Client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help MK manage and further develop its business enterprise. The benefits received by MK or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, MK endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by MK or its related persons in and of itself creates a potential conflict of interest and may indirectly influence the MK's choice of TD Ameritrade for custody and brokerage services.

Product vendors recommended by MK may provide monetary and non-monetary assistance with client events, provide educational tools and resources. MK does not select products as a result of any monetary or non-monetary assistance. The selection of product is first and foremost. MK's due diligence of a product does not take into consideration any assistance it may receive. Therefore, this is not considered a conflict of interest but a benefit for you and MK.

- B. MK does not directly or indirectly compensate any person who is not a supervised person of MK for referrals. Further, MK does not receive an economic benefit from a non-client for providing investment advice or advisory services to you.

Item 15 - CUSTODY

Under government regulations, we are deemed to have custody of your assets if, for example, you authorize us to instruct your account custodian to deduct our advisory fees directly from your account or if you grant us authority to move your money to another person's account. Your account custodian maintains actual custody of your assets. You will receive account statements directly from your account custodian at least quarterly. They will be sent to the email or postal mailing address you provided. You should carefully review those statements promptly when you receive them.

Item 16 - INVESTMENT DISCRETION

You may grant MK authorization to manage your account on a discretionary basis. Discretionary authority will give MK the authority to buy, sell, exchange, convert securities in your managed accounts. You will grant such authority to MK by execution of the advisory agreement. You may terminate discretionary authorization at any time upon receipt of written notice by MK.

Additionally, you are advised that:

- 1) You may set parameters with respect to when account should be rebalanced and set trading restrictions or limitations;
- 2) Your written consent is required to establish any mutual fund, variable annuity, or brokerage account;
- 3) MK requires the use of the broker/dealer with which your Advisory Representative is registered for sales in commissionable mutual funds or variable annuities, if you elect to implement recommendations through your Advisory Representative;
- 4) With the exception of deduction of MK's advisory fees from the account, if you have authorized automatic deductions, MK will not have the ability to withdraw your funds or securities from the account.

Item 17 - VOTING CLIENT SECURITIES

MK does not vote your securities. Unless you suppress proxies, securities proxies will be sent directly to you by the account custodian or transfer agent. You may contact MK about questions you may have and opinions on how to vote the proxies. However, the voting and how you vote the proxies is solely your decision.

Item 18 - FINANCIAL INFORMATION

- A. MK will not require you to prepay more than \$1,200 and six or more months in advance of receiving the advisory service.
- B. As stated above, MK has discretionary authority over client accounts; however that authority does not extend to the withdrawal of any client assets, with the exception of deduction of MK's advisory fees from your accounts. We are financially stable. There is no financial condition that is likely to impair our ability to meet our contract actual commitment to you or any other client.

C. Neither MK nor any of its Advisory Representatives has ever been the subject of a bankruptcy petition.

Item 19 - REQUIREMENTS FOR STATE REGISTERED ADVISERS

This section is not applicable to MK. MK is not state registered. MK is registered with the Securities and Exchange Commission.

Privacy Policy

McDaniel Knutson Financial Partners

How and Why We Obtain Information

McDaniel Knutson Financial Partners collects information about you to help us serve your financial needs, provide customer service, offer new products or services, and fulfill legal and regulatory requirements. Any collection of personal information is to support our normal business operations and service your account.

McDaniel Knutson Financial Partners collects nonpublic personal, financial and health information about you. The sources and information collected may include:

Information on applications and related forms such as name, address, Social Security number, assets and income, (medical information if applying for insurance);

Information regarding your transactions with us such as, products or services purchased, account balances and payment history;

Information regarding your account from your employer, association or benefit plan sponsor.

Sharing Information

McDaniel Knutson Financial Partners does not disclose nonpublic personal information about you to anyone except as noted herein. We may share information collected to unaffiliated service providers such as insurance companies, investment companies, banks, broker dealers or data management firms to provide account maintenance or customer service to your account. We may also disclose your information to other organizations such as government agencies and law enforcement officials as required by law or court order, or other organizations and individuals with your consent (for example, attorney or tax professional).

Protecting Your Information

McDaniel Knutson Financial Partners maintains physical, electronic, and procedural safeguards to guard your nonpublic personal information to ensure we are complying with our own policy, industry practices, and federal or state regulations. If you decide to close your account(s) or become an inactive customer, we will adhere to the privacy policies and practices as described in this notice. McDaniel Knutson Financial Partners reserves the right to change this Privacy Policy at anytime and will notify customers of any modifications on an annual basis.