

Item 1 – Cover Page

Madison Family Advisors, Inc.

2172 San Antonio Place

Santa Clara, CA 95051

847-440-1639

March 7th, 2018

This Brochure provides information about the qualifications and business practices of Madison Family Advisors, Inc. If you have any questions about the contents of this Brochure, please contact us at (847) 440-1639 or via email at jjb@madisonfamilyadvisors.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Madison Family Advisors, Inc. (“MFA”, “Adviser”) is a Registered Investment Adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information that you may use to determine whether to hire or retain them.

Additional information about MFA is also available on the SEC’s website at www.adviserinfo.sec.gov. You can search this site by using a unique identifying number, known as a CRD number. The CRD number for MFA is 158755. The SEC’s web site also provides information about any persons affiliated with MFA who are registered, or are required to be registered, as Investment Adviser Representatives of MFA, Adviser.

Item 2 – Material Changes

Since our last filing on March 31, 2017, there has been the following material change to our Form ADV Part 2A:

- We have updated our advisory fees in Item 5
- We have removed the information regarding proprietary models in Item 4. The Adviser does not offer such models
- We have updated the ADV to disclose our relationship with our leasing company.
- We have added updated information in Item 18-Financial Information.
- Madison Family Advisors, Inc. is transitioning from a SEC registered firm to a State registered firm in the State of California.

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 business' fiscal year which is December 31st. We will provide other ongoing disclosure information about material changes as they occur. We will also provide you with information on how to obtain the complete Brochure. Currently, our Brochure may be requested at any time, without charge, by contacting [John Betterman](#) at (847) 440-1639.

Item 3 – Table of Contents

Item 1 – Cover Page	1
Item 2 – Material Changes	2
Item 3 – Table of Contents	3
Item 4 – Advisory Business Introduction.....	4
Item 5 – Fees and Compensation	8
Item 6 – Performance Based Fee and Side by Side Management.....	10
Item 7 – Types of Client(s)	11
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss	11
Item 9 – Disciplinary Information.....	15
Item 10 – Other Financial Industry Activities and Affiliations	15
Item 11 – Code of Ethics, Participation or Interest in Client Accounts and Personal Trading.....	16
Item 12 – Brokerage Practices	18
Item 13 – Review of Accounts	19
Item 14 – Client Referrals and Other Compensation	19
Item 15 – Custody	19
Item 16 – Investment Discretion	20
Item 17 – Voting Client Securities.....	20
Item 18 – Financial Information.....	20
Item 19 – Requirements for State-Registered Advisers.....	22
John Betterman ADV Part 2B	23

Item 4 – Advisory Business Introduction

Our Advisory Business

MFA (“we”, “us”, “our”) is a Registered Investment Adviser (“Adviser”) which offers investment advice regarding securities and other financial services to our clients. We are currently changing our registration from the United States Securities and Exchange Commission (“SEC”) to state registration with the State of California in 2018.

We provide investment advice through Investment Adviser Representatives (“IAR”) associated with us. These individuals are appropriately licensed, qualified, and authorized to provide advisory services on our behalf. In addition, all advisors are required to have a minimum of a Bachelor of Arts or Bachelor of Science degrees.

MFA was founded in 2011 and John J. Betterman serves as Chief Compliance Officer. We provide portfolio management services to individuals and high net worth individuals. MFA does not have a minimum account size for traditional investment accounts. There is no minimum account opening balance to invest with the MFA.

We are committed to the precept that by placing the client’s interests first, we will add value to the asset management process and earn the client’s trust and respect. We value long term relationships with our clients whom we regard as strategic partners in our business.

Services

MFA provides investment management services with a complimentary financial assessment to individuals and high net worth individuals. We believe that we should become a student of each person’s financial situation and that we should be paid fees for investment management services. These fees are defined in *Item 5, Fees and Compensation*, and are charged to all clients. The complimentary financial assessment is offered to all clients and prospective clients and does not require a minimum net worth.

We do not participate in wrap fee programs.

Asset Management

Asset management is the professional management of securities (stocks, bonds and other securities) and assets (e.g., real estate) in order to meet your specified investment goals. We will meet with you to discuss your financial circumstances, investment goals and objectives, and to determine your risk tolerance. We will ask you to provide statements summarizing current investments, income and other earnings, recent tax returns, retirement assessment information, other assets and liabilities, wills and trusts, insurance policies, and other pertinent information.

The goals and objectives for each client are documented in our Investment Management Agreement.

Madison Family Advisors, Inc. uses model portfolios as a guide that supports our philosophy of being long term investors. The models are as follows:

- Capital Preservation: The primary goal is to preserve the initial investment of the client investing to have minimal loss of capital.

- Conservative: The primary goal is still to preserve capital with minimal risk to the principal. Slight volatility is acceptable.
- Income: Preservation of principal is important, but providing income to the client is the primary goal. Slight volatility is acceptable.
- Conservative Growth: Preservation of capital is important with income. The portfolio would accept some volatility with investments in stocks to create a small hedge against inflation.
- Moderate Growth: The client is willing to take some risk for a higher return. Hedging inflation is becoming more important.
- Growth: The client is willing to take on more risk for a higher return. More volatility is acceptable.
- Aggressive Growth: The client is willing to take on higher risk for a higher return. Significant loss of principal is possible.

We believe in both active and passive management of assets. The size of the portfolio and risk tolerance of the client will assist MFA in determining the composition of the individual investments within each model portfolio. Our primary goal with all of our clients is to preserve capital with the goal of carefully growing their assets over time. MFA tends to take a contrarian view and strives to make decisions that are opposite of what the masses are doing. It is our goal to prepare our clients to invest when others are fearful and trim profits when most are greedy.

After selecting the appropriate guideline model portfolio, the investments to be made generally include stocks, bonds, no-load mutual funds, and exchange-traded funds but may also include:

- Warrants, corporate debt securities;
- Commercial paper;
- Certificates of deposit;
- Municipal securities;
- Investment company securities (variable life insurance, variable annuities, and mutual funds shares);
- U.S. government securities;
- Options contracts;
- Futures contracts, and;
- Interests in partnerships.

You shall have the ability to impose reasonable restrictions on the management of your account, including the ability to instruct us not to purchase certain mutual funds, stocks or other securities. These restrictions may be a specific company security, industry sector, asset class, or any other restriction you request.

Under certain conditions, securities from outside accounts may be transferred into your advisory account; however, we may recommend that you sell any security if we believe that it is not suitable for the current recommended investment strategy. You are responsible for any taxable events in these instances. Certain assumptions may be made with respect to interest and inflation rates and the use of past trends and performance of the market and economy. Past performance is not indicative of future results.

If you decide to implement our recommendations, we will help you open a custodial account(s). The funds in your account will generally be held in a separate account, in your name, at an independent custodian, and not with us. We recommend using TD Ameritrade Institutional; however, you may use any custodian you wish.

You will enter into a separate custodial agreement with the custodian which authorizes the custodian to take instructions from us regarding all investment decisions for your account. We will select the securities bought and sold and the amount to be bought and sold, within the parameters of the objectives and risk tolerance of your account. You will be notified of any purchases or sales through trade confirmations and statements that are provided by the custodian. These statements list the total value of the account, itemize all transaction activity, and list the types, amounts, and total value of securities held. You will at all times maintain full and complete ownership rights to all assets held in your account, including the right to withdraw securities or cash, proxy voting and receiving transaction confirmations.

We may also provide you with a quarterly performance statement starting at the end of the first full calendar quarter after signing the Client Advisory Agreement. These statements give you additional feedback regarding performance, educate you about our long-term investment philosophy, and describe any changes in current strategy and allocation along with the reasons for making these changes.

We may manage your accounts on a discretionary or non-discretionary basis. We will only manage your account on a discretionary basis upon obtaining your consent. This discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account. Your consent is typically granted and evidenced in the investment management agreement that you sign with us. When we manage assets on a discretionary basis, it means you have given us the authority to determine the following with/without your consent:

- Securities to be bought or sold for your account
- Amount of securities to be bought or sold for your account
- Broker-dealer to be used for a purchase or sale of securities for your account
- Commission rates to be paid to a broker or dealer for your securities transaction.

When selecting securities and determining amounts, we observe the investment policies, limitations and restrictions of the clients for which we advise. For registered investment companies, our authority to trade securities may also be limited by certain federal securities and tax laws that require diversification of investments and favor the holding of investments once made.

If we manage your accounts on a non-discretionary basis it means we cannot trade in your account without your express permission.

Trading may be required to meet initial allocation targets, after substantial cash deposits that require investment allocation, and/or after a request for a withdrawal that requires liquidation of a position. Additionally, your account may be rebalanced or reallocated periodically in order to reestablish the targeted percentages of your initial asset allocation. This rebalancing or reallocation will occur on the schedule we have determined together. You will be responsible for any and all tax consequences resulting from any rebalancing or reallocation of the account. We are not tax professionals and do not give tax advice. However, we will work with your tax professionals to assist you with tax assessment.

We are available during normal business hours either by telephone, fax, email, or in person by appointment to answer your questions.

Sub-Adviser Services

If MFA deems it to be in the best interests of the Client, they will recommend the use of Unison Advisors LLC as a subadvisor for certain client accounts. Unison Advisors LLC is registered through and regulated by the United States Securities and Exchange Commission (SEC). Unison Advisors LLC also complies with the Global Investment Performance Standards (GIPS). Fees are split evenly as outlined in Item 5: Fees and Compensation. Nir Kaissar is the founder of Unison Advisors LLC. See Below as to why Madison Family Advisors, Inc. used Unison Advisors LLC as a sub-adviser:

Nir Kaissar, CFA

Portfolio Manager and Managing Member

Nir Kaissar, Chartered Financial Analyst, is Unison's founder. Nir's passion is to improve portfolio management: smarter asset allocation, implemented more cost effectively, and accessible to every investor. Nir is also a columnist for Bloomberg Gadfly, writing about markets and investing.

Nir's work focuses on alternative approaches to multi-asset investing using quantitative methods such as valuation and momentum. With Unison's founding in 2005, Nir introduced one of the first multi-asset investment managers. Unison's Equity Bias strategy was twice ranked #1 by Lipper Marketplace in the multi-asset category (based on performance for 5 years ended December 31, 2013 (out of 30) and March 31, 2014 (out of 34)), in addition to numerous other appearances on Lipper Marketplace's list of Best Money Managers. Nir is a member of the CFA Institute, the CFA Society of Washington, DC and the American Finance Association.

Financial Consulting/Assessment

An evaluation of each client's initial situation is provided to the client. Periodic reviews, usually on a quarterly basis, are also communicated to provide reminders of the specific courses of action that need to be taken. More frequent reviews occur but are not necessarily communicated to the client unless immediate changes are recommended.

In performing financial assessment, we typically examine and analyze your overall financial situation, which may include:

- Identification of financial problems:
 - Learning from the client what their primary goals are which may include an assessment for retirement or educating their children and grandchildren, as examples.
- Cash flow management:
 - Ensuring that the client has enough monthly income during their working years and in retirement.
- Tax assessment:
 - This entails working with the client's tax advisor to make sure that we are being tax efficient with how we are investing.
- Insurance review:

- It is important to review their insurance needs to be sure that, in the event of death, there is enough money available to live on through the life expectancy of the living spouse or enough insurance to pay the estate tax for high net worth families.
- Investment management:
 - After understanding the entire balance sheet, cash flow needs and the risk tolerance of the client, we would work to create an asset allocation determining how much should be allocated to stock, bonds, cash and alternative investments (private equity, real estate and hedge funds).
- Education funding:
 - For each child and or grandchild, we model the expected cost of a college education.
- Retirement Assessment:
 - We work to calculate what the expenses will be in retirement and work to ensure that there is cash flow available to pay these expenses. We also work to understand what growth is needed so that the client does not outlive his/her assets.
- Estate Plan:
 - Structure is important to us. In other words, it is important that we understand the estate assessment to be sure we are investing in a way that is consistent with the estate assessment. Some structures will call for taxable investments while other structures will call for tax free investments. The same could be said for growth investments versus income investments. Some structures may be better suited for growth versus income. The reverse is true as well.

After completing the assessment, it is important to tailor the investment solutions to each client's needs. After reviewing and analyzing the client's situation through the financial assessment, MFA would then begin to construct the asset allocation; specifically, how much should be allocated to stock, bonds, cash and other investments (i.e. private equity, real estate and hedge funds).

It is essential that you provide the information and documentation we request regarding your income, investments, taxes, insurance, estate assessment, etc. We will discuss your investment objectives, needs and goals, but you are obligated to inform us of any changes. We do not verify any information obtained from you, your attorney, accountant or other professionals.

We obtain information from a wide variety of publicly available sources. We do not have any inside private information about any investments that are recommended. All recommendations developed by us are based upon our professional judgment. We cannot guarantee the results of any of our recommendations.

Assets Under Management

As of January 2018, we provide discretionary asset management services to 33 accounts, managing total assets of \$68,680,615.

Item 5 – Fees and Compensation

We provide asset management services for a fee.

Either party may terminate the relationship with a thirty (30) day written notice. Upon termination of any account, any prepaid fees that are in excess of the services performed will be promptly refunded to you. Any fees that are due, but have not been paid, will be billed to you and are due immediately.

Asset Management Fee Schedule

MFA does not have a minimum account size at this time for traditional investment accounts. The fee charged is based upon the amount of money you invest. Multiple accounts of immediately-related family members, at the same mailing address, may be considered one consolidated account for billing purposes. Starting in May 2017 MFA has changed from billing all clients in advance to billing all clients in arrears. Fees are charged quarterly, in arrears. Payments are due and will be assessed on the last day of each quarter, based upon the average daily balance of the assets in the previous quarter as valued by the custodian and will be calculated as follows:

Fixed Income

Less than \$1,000,000	.75%
\$1,000,000 +	.55%

More than \$10,000,000	Negotiable
------------------------	------------

Equity

Less than \$1,000,000	.75%
\$1,000,000 +	.55%

More than \$10,000,000	Negotiable
------------------------	------------

The fees shown above are annual fees and, in certain circumstances, advisory fees and account minimums may be negotiable based upon prior relationships as well as related account holdings. No increase in the annual fee shall be effective without prior written notification to you. We believe our advisory fee is reasonable considering the fees charged by other investment advisers offering similar services/programs.

Your account at the custodian may also be charged for certain additional assets managed for you by us but not held by the custodian (i.e. variable annuities, mutual funds, 401(k)s).

The fees we charge can be deducted directly from your account at the custodian. We will instruct the custodian to deduct the fees from your account at the beginning of each quarter. This fee will show up as a deduction on your next account statement from the custodian.

Madison Family Advisors, Inc. and Unison Advisors LLC have the exact same fee schedule. Fees charged to clients are split between both firms. The Fees that are split are outlined above. Both firms are working inside the fee structure above meaning that the clients are being charged as if they were going to one firm or the other. The client is getting the services of both firms for the fees outlined above.

Financial Assessment Fees

MFA does not charge an additional fee for the financial assessment.

Past Due Accounts and Termination of Agreement

We reserve the right to stop work on any account that is more than 90 days overdue. In addition, we reserve the right to terminate any engagement where a client has willfully concealed or has refused to provide pertinent information about financial situations when necessary and appropriate, in our judgement, to providing proper financial advice.

A client may terminate any agreements at any time by notifying Madison Family Advisors, Inc. in writing and paying the rate for the time spent on the investment management engagement prior to notification of termination.

The firm may terminate any agreements at any time by notifying the client in writing. The client will be billed for the time spent on the investment management engagement prior to notification of termination.

Clients may terminate the investment management agreement without penalty within five business days after signing, if the client was not furnished with the Form ADV Part 2 at least 48 prior to signing.

Third Party Fees

Our fees do not include brokerage commissions, transaction fees, and other related costs and expenses. You may incur certain charges imposed by custodians and other third parties. These include fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds, money market funds and exchange-traded funds (ETFs) also charge internal management fees, which are disclosed in the fund's prospectus. These fees may include, but are not limited to, a management fee, upfront sales charges, and other fund expenses. Certain strategies offered by us may involve investment in mutual funds and/or ETFs. Load and no load mutual funds may pay annual distribution charges, sometimes referred to as "12(b)(1) fees". These 12(b)(1) fees come from fund assets, and thus indirectly from clients' assets. We do not receive any compensation from these fees. All of these fees are in addition to the management fee you pay us. You should review all fees charged to fully understand the total amount of fees you will pay. Services similar to those offered by us may be available elsewhere for more or less than the amounts we charge. Our brokerage practices are discussed in more detail under Item 12 – Brokerage Practices.

Other Compensation

Neither MFA nor any IARs receive any compensation from any other sources.

Item 6 – Performance Based Fee and Side by Side Management

We do not charge any performance-based fees. These are fees based on a share of capital gains on or capital appreciation of the assets of a client.

Item 7 – Types of Client(s)

We provide portfolio management services to individuals and high net worth individuals.

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

Methods of Analysis

Our analysis methods may include charting, fundamental analysis, technical analysis and cyclical analysis as part of our overall investment management discipline; the implementation of these analyses as part of our investment advisory services to you may include any, all or a combination of the following:

Charting

Charting analysis seeks to identify resistance and support reference prices for decisions to buy (price hits the support) or sell (price hits the resistance).

Through charting, the analysis seeks to identify price patterns and market trends in financial markets. Charting may apply to long-term investing or be used as a market-timing strategy, depending on the time-frame of the price charts.

Fundamental Analysis

Fundamental analysis is a technique that attempts to determine a security's value by focusing on the underlying factors that affect a company's actual business and its future prospects. Fundamental analysis is about using real data to evaluate a security's value. It refers to the analysis of the economic well-being of a financial entity as opposed to only its price movements.

The end goal of performing fundamental analysis is to produce a value that we can compare with the security's current price, with the aim of figuring out what sort of position to take with that security (underpriced = buy, overpriced = sell or short).

Technical Analysis

Technical Analysis is a technique that attempts to determine a security's value by developing models and trading rules based upon price and volume transformation. Technical analysis assumes that a market's price reflects all relevant information so the analysis focuses on the history of a security's trading behavior rather than external drivers such as economic, fundamental and news events. The practice of technical analysis incorporates the importance of understanding how market participants perceive and act upon relevant information rather than focusing on the information itself. Ultimately, technical analysts develop trading models and rules by evaluating factors such as market trends, market participant behaviors, supply and demand and pricing patterns and correlations.

As with other types of analysis, the predictive nature of technical analysis can vary greatly; models and rules are often modified and updated as new patterns and behaviors develop. Past performance is not an indicator of future return.

Cyclical Analysis

While we do not attempt to time the market, we may use cyclical analysis in conjunction with other strategies to help determine if shifts are required in your investment strategies depending upon long and short-term trends in financial markets and the performance of the overall national and global economy.

Sources of Information and Investment Strategies

The main sources of information we use to analyze these investment strategies include:

- Financial newspapers and magazines,
- Inspections of corporate activities,
- Research materials prepared by others,
- Corporate rating services,
- Annual reports,
- Prospectuses,
- Filings with the Securities and Exchange Commission, and
- Company press releases.

Other sources of information that we may use include:

- Morningstar Principia mutual fund information,
- Morningstar Principia stock information,
- Advisor Intelligence, and
- World Wide Web.

Investment Strategies

The primary investment strategy used on client accounts is strategic asset allocation. This means that we provide active management, passively- managed indexes and exchange-traded funds. Portfolios are globally diversified to control the risk associated with traditional domestic markets only.

The investment strategy for a specific client is based upon the objectives stated by the client during consultations. The client may change these objectives at any time. Each client executes an Investment Policy Statement that documents their objectives and their desired investment strategy.

Other strategies may include long-term purchases, short-term purchases, trading, short sales, margin transactions, and option writing (including covered options, uncovered options or spreading strategies).

Risk of Loss

We cannot guarantee our analysis methods will yield a return. In fact, a loss of principal is always a risk. Investing in securities involves a risk of loss that you should be prepared to bear. You need to understand that investment decisions made for your account by us are subject to various market, currency, economic, political and business risks. The investment decisions we make for you will not always be profitable nor can we guarantee any level of performance. A general list of all risks associated with the strategies, products and methodology we offer are listed below:

Interest-Rate Risk

Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.

Market Risk

The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's underlying circumstances. For example, political, economic and social conditions may trigger market events.

Inflation Risk

When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.

Currency Risk

Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's country. This is also referred to as exchange rate risk.

Reinvestment Risk

This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.

Business Risk

These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.

Liquidity Risk

Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.

Bond Fund Risk

Bond funds generally have higher risks than money market funds, largely because they typically pursue strategies aimed at producing higher yields of the risks associated with bond funds include:

- **Call Risk** - The possibility that falling interest rates will cause a bond issuer to redeem—or call—its high-yielding bond before the bond's maturity date.
- **Credit Risk** — the possibility that companies or other issuers whose bonds are owned by the fund may fail to pay their debts (including the debt owed to holders of their bonds). Credit risk is less of a factor for bond funds that invest in insured bonds or U.S. Treasury bonds. By contrast, those that invest in the bonds of companies with poor credit ratings generally will be subject to higher risk.
- **Interest Rate Risk** — the risk that the market value of the bonds will go down when interest rates go up. Because of this, you can lose money in any bond fund, including those that invest only in insured bonds or Treasury bonds.

- Prepayment Risk — the chance that a bond will be paid off early. For example, if interest rates fall, a bond issuer may decide to pay off (or "retire") its debt and issue new bonds that pay a lower rate. When this happens, the fund may not be able to reinvest the proceeds in an investment with as high a return or yield.

Fundamental Analysis Risk

Fundamental analysis, when used in isolation, has a number of risks:

- There are an infinite number of factors that can affect the earnings of a company, and its stock price, over time. These can include economic, political and social factors, in addition to the various company statistics.
- The data used may be out of date.
- It is difficult to give appropriate weightings to the factors.
- It assumes that the analyst is competent.
- It ignores the influence of random events such as oil spills, product defects being exposed, and acts of God and so on.

Cyclical Analysis Risk

Looking at market cycles in conjunction with other investment strategies can be useful when making investment decisions. However, market cycles are not always predictable. Each financial investment strategy has benefits and risks. Not every investment decision will be profitable, and there can be no guarantee of any level of performance.

Exchange Traded Fund ("ETF") Risk

Most ETFs are passively managed investment companies whose shares are purchased and sold on a securities exchange. An ETF represents a portfolio of securities designed to track a particular market segment or index. ETFs are subject to the following risks that do not apply to conventional funds:

- The market price of the ETF's shares may trade at a premium or a discount to their net asset value;
- An active trading market for an ETF's shares may not develop or be maintained; and
- There is no assurance that the requirements of the exchange necessary to maintain the listing of an ETF will continue to be met or remain unchanged

Mutual Funds Risk

The following is a list of some general risks associated with investing in mutual funds.

- Country Risk - The possibility that political events (a war, national elections), financial problems (rising inflation, government default), or natural disasters (an earthquake, a poor harvest) will weaken a country's economy and cause investments in that country to decline.
- Currency Risk -The possibility that returns could be reduced for Americans investing in foreign securities because of a rise in the value of the U.S. dollar against foreign currencies. Also called exchange-rate risk.
- Income Risk - The possibility that a fixed-income fund's dividends will decline as a result of falling overall interest rates.

- Industry Risk - The possibility that a group of stocks in a single industry will decline in price due to developments in that industry.
- Inflation Risk - The possibility that increases in the cost of living will reduce or eliminate a fund's real inflation-adjusted returns.
- Manager Risk -The possibility that an actively managed mutual fund's investment adviser will fail to execute the fund's investment strategy effectively resulting in the failure of stated objectives.
- Market Risk -The possibility that stock fund or bond fund prices overall will decline over short or even extended periods. Stock and bond markets tend to move in cycles, with periods when prices rise and other periods when prices fall.
- Principal Risk -The possibility that an investment will go down in value, or "lose money," from the original or invested amount.

Stock Fund Risk

Overall "market risk" poses the greatest potential danger for investors in stocks funds. Stock prices can fluctuate for a broad range of reasons, such as the overall strength of the economy or demand for particular products or services.

Technical Analysis Risk

- Technical analysis is derived from the study of market participant behavior and its efficacy is a matter of controversy.
- Methods vary greatly and can be highly subjective; different technical analysts can sometimes make contradictory predictions from the same data.
- Models and rules can incur sufficiently high transaction costs.

Overall Risks

Clients need to remember that past performance is no guarantee of future results. All investments carry some level of risk. You may lose some or all of the money you invest, including your principal, because the securities go up and down in value. Dividend or interest payments may also fluctuate, or stop completely, as market conditions change.

Item 9 – Disciplinary Information

Registered Investment Advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of us or the integrity of our management. We do not have any information to disclose concerning MFA or any of our IARs. We adhere to high ethical standards for all IARs and associates.

Item 10 – Other Financial Industry Activities and Affiliations

Neither MFA nor any of its management persons are registered as a broker-dealer or registered as a representative of a broker-dealer, nor does it have any pending application to register. In addition, neither MFA nor its management persons are affiliated with any broker-dealer. Finally, neither MFA nor any of its management persons are registered, or have an application pending to register, as a futures commission

merchant, commodity pool operator, or commodity trading advisor, or an associated person of foregoing entities.

Madison Family Advisors Inc. will make sure any other advisors that are recommended will be properly licensed.

Other Financial Industry Affiliations

The IARs of MFA do not participate in other business activities or have any outside affiliations at this time.

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

General Information

We have adopted a Code of Ethics for all supervised persons of the firm describing its high standards of business conduct, and fiduciary duty to you, our client. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts, the reporting of certain gifts and business entertainment items, and personal securities trading procedures. All of our supervised persons must acknowledge the terms of the Code of Ethics annually, or as amended.

Participation or Interest in Client Accounts

Our Compliance policies and procedures prohibit anyone associated with MFA from having an interest in a client account or participating in the profits of a client's account without the approval of the CCO.

The following acts are prohibited:

- Employing any device, scheme or artifice to defraud
- Making any untrue statement of a material fact
- Omitting to state a material fact necessary in order to make a statement, in light of the circumstances under which it is made, not misleading
- Engaging in any fraudulent or deceitful act, practice or course of business
- Engaging in any manipulative practices

Clients and prospective clients may request a copy of the firm's Code of Ethics by contacting the CCO.

Personal Trading

We may recommend securities to you that we will purchase for our own accounts. We may trade securities in our account that we have recommended to you as long as we place our orders after your orders. This policy is meant to prevent us from benefiting as a result of transactions placed on behalf of advisory accounts.

Certain affiliated accounts may trade in the same securities with your accounts on an aggregated basis when consistent with our obligation of best execution. When trades are aggregated, all parties will share the costs in proportion to their investment. We will retain records of the trade Order (specifying each participating account) and its allocation. Completed Orders will be allocated as specified in the initial

trade order. Partially filled Orders will be allocated on a pro rata basis. Any exceptions will be explained on the Order.

MFA has a personal securities transaction policy in place to monitor the personal securities transactions and securities holdings of "Access Persons". The policy requires that an Access Person of the firm provide the Chief Compliance Officer or his/her designee with a written report of their current securities holdings within ten (10) days after becoming an Access Person. Additionally, each Access Person must provide the Chief Compliance Officer or his/her designee with a written report of the Access Person's current securities holdings at least once each twelve (12) month period thereafter on a date the Adviser selects; provided, however that at any time that the Adviser has only one Access Person, he or she shall not be required to submit any securities report described above.

We have established the following restrictions in order to ensure our fiduciary responsibilities regarding insider trading are met:

- No securities for our personal portfolio(s) shall be bought or sold where this decision is substantially derived, in whole or in part, from the role of IAR(s) of MFA, Adviser, unless the information is also available to the investing public on reasonable inquiry. In no case, shall we put our own interests ahead of yours.

Privacy Statement

We are committed to safeguarding your confidential information and hold all personal information provided to us in the strictest confidence. These records include all personal information that we collect from you or receive from other firms in connection with any of the financial services they provide. We also require other firms with whom we deal with to restrict the use of your information. Our Privacy Policy is available upon request.

Conflicts of Interest

MFA provides 401K services to Acquirent LLC ("Acquirent"). MFA also provides complimentary investment meetings with Acquirent employees consistent with complimentary financial assessments. In managing Acquirent's 401K, MFA has invited Unison Advisors LLC to help manage the employee's 401K plan where they want MFA to manage the investments for them. When using this service, the employees can choose from three models: Conservative (Debt Bias Strategy), Moderate (Defensive Equity Strategy) and Aggressive (Equity Bias Strategy). There is an additional 25 basis point fee for this service. MFA and Unison split the fees for this plan.

MFA's Investment Adviser Representatives may employ the same strategy for their personal investment accounts as it does for its clients. However, they may not place their orders in a way to benefit from the purchase or sale of a security. The CCO monitors for this on a quarterly basis.

We act in a fiduciary capacity. If a conflict of interest arises between us and you, we shall make every effort to resolve the conflict in your favor. Conflicts of interest may also arise in the allocation of investment opportunities among the accounts that we advise. We will seek to allocate investment opportunities according to what we believe is appropriate for each account. We strive to do what is equitable and in the best interests of all the accounts we advise.

Item 12 – Brokerage Practices

Factors Used to Select Custodians

In recommending a custodian/broker-dealer, we look for a company that offers relatively low transaction fees, access to desired securities, trading platforms, and support services. We may recommend clients use TD Ameritrade Institutional as the qualified custodian for their accounts when utilizing our asset management services.

Soft Dollars

We do not currently receive any software maintenance credits from custodians and or have any other soft dollar arrangements with third parties.

Best Execution

We have an obligation to seek best execution for you. In seeking best execution, the determinative factor is not the lowest possible commission cost but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, reputation and responsiveness. Therefore, we will seek competitive commission rates, but we may not obtain the lowest possible commission rates for account transactions.

Brokerage for Client Referrals

In selecting and/or recommending broker-dealers, we do not take into consideration whether or not we will receive client referrals from the broker-dealer or third party. We do not receive any client referrals from any broker-dealer.

Directed Brokerage

Clients are permitted to use the custodian of their choosing. Not all advisory firms permit you to direct brokerage. If you elect to select your own broker-dealer or custodian and direct us to use them, you may pay higher or lower fees than what is available through our relationships. Generally, we will not negotiate lower rates below the rates established by the executing broker-dealer or custodian for this type of directed brokerage account, unless we believe that such rate is unfair or unreasonable for the size and type of transaction. In all instances, we will seek best execution for you.

Trading

Transactions for each client account generally will be effected independently, unless we decide to purchase or sell the same securities for several clients at approximately the same time. We may (but are not obligated to) combine or "batch" such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among our clients' differences in prices and commission or other transaction costs. Under this procedure, transactions will be price-averaged and allocated among our clients in proportion to the purchase and sale orders placed for each client account on any given day.

Item 13 – Review of Accounts

Reviews

Account reviews are performed quarterly by John J. Betterman, President and at least annually with the client. Account reviews are performed more frequently when market conditions dictate.

Clients receive periodic communications on at least an annual basis. Investment Management clients receive written quarterly updates. The written updates may include a net worth statement, portfolio statement, and a summary of objectives and progress towards meeting those objectives.

Other conditions that may trigger a review are changes in the tax laws, new investment information, and changes in a client's own situation.

Reports

Clients will be provided with account statements reflecting the transactions occurring in their account at least quarterly. These statements may be written or electronic depending upon what was selected when the account was opened. Clients will be provided with confirmations for each securities transaction executed in the account. Clients are obligated to notify us of any discrepancies in the account(s) or any concerns you have about the account(s).

Clients are urged to compare the account statements received directly from their custodians to the performance report statements provided by Madison Family Advisors.

Item 14 – Client Referrals and Other Compensation

We do not receive any economic benefit from someone who is not a client for providing investment advice or other advisory services to our clients nor do we directly or indirectly pay any compensation to another person if they refer clients to us.

Item 15 – Custody

We do not have physical custody of any accounts or assets. However, we may be deemed to have custody of your account(s) if we have the ability to deduct your advisory fees from the custodian. We use TD Ameritrade Institutional as the custodian and/or broker-dealer for all your accounts. You authorized the custodian to pay us directly at the onset of the relationship. Madison Family Advisors complies with California Code of Regulation, Section 260.237(b)(3).

You will receive at least quarterly statements from the broker-dealer or custodian that holds and maintains your investment assets. We concurrently send our custodian and our clients a statement describing how the fees were calculated and what the fee deduction should be on the custodial statement. We urge you to carefully review such statements and compare them. If you notice any discrepancies, please contact MFA, Adviser.

Item 16 – Investment Discretion

We receive discretionary authority from you at the beginning of an advisory relationship to select the identity and amount of securities to be bought or sold. This information is described in the Advisory Agreement you sign with us as well as the custodial documents. In all cases, however, this discretion is exercised in a manner consistent with your stated investment objectives for your account.

When selecting securities and determining amounts, we observe the investment policies, limitations and restrictions you have set. For registered investment companies, our authority to trade securities may also be limited by certain federal securities and tax laws that require diversification of investments and favor the holding of investments once made.

Prior to assuming discretionary authority, clients must execute the Advisory Agreement. Execution of the Advisory Agreement grants us the authority to determine, without obtaining specific client consent, both the amount and the type of securities to be bought and sold to help achieve the client account objectives.

For non-discretionary account, the firm will properly secure the client's permission prior to effecting securities transactions in client accounts managed on a non-discretionary basis pursuant to California Code of Regulation, Section 260.237.2(f)(1).

Item 17 – Voting Client Securities

As a matter of firm policy and practice, we do not have any authority to and do not vote proxies on behalf of advisory clients. You retain the responsibility for receiving and voting proxies for any and all securities maintained in your portfolios. We may provide advice to you regarding your voting of proxies. The custodian will forward you copies of all proxies and shareholder communications relating to your account assets.

Item 18 – Financial Information

We are required to provide you with certain financial information or disclosures about our financial condition.

John Betterman has three outstanding tax liens to the Internal Revenue Service totaling \$167,411. These are the result of a divorce.

The firm owes vendors about \$8,600 and is changing its billing model from in advance to in arrears to match their Agreement with Unison, the sub-advisor. This requires refunding clients \$5,500.33. These refunds will occur over the last six months of 2017/first six months of 2018. This should not have a financial impact on the firm which could impair the firm's ability to do business. John Betterman does not have any financial condition that is reasonably likely to impair his ability to meet contractual commitments to clients.

We have not been the subject of any bankruptcy proceedings.

In no event shall we charge advisory fees that are both in excess of five hundred dollars and more than six months in advance of advisory services rendered.

Item 19 – Requirements for State-Registered Advisers

Principals

There is one owner/principal of Madison Family Advisors, John Betterman. He is the President and Chief Compliance Officer and was born in 1962. His education information, business background, and other business activities can be found in the Form ADV Part 2B Brochure Supplement below.

Other Business

John Betterman has no other business activities.

Performance Fees

MFA does not charge a performance-based fee (fees based on a share of capital gains on, or capital appreciation of, the assets of a client) for its asset management accounts.

Disclosable Events

Neither MFA nor John Betterman has any reportable events to disclose.

Other Relationships

Neither MFA nor John Betterman has any relationship with any issuer of securities.

John Betterman ADV Part 2B

Item 1 – Cover Page

Madison Family Advisors, Inc.

2172 San Antonio Place

Santa Clara, CA 95051

Brochure Supplement – John J. Betterman

March 7th, 2018

This brochure supplement provides information about John Betterman that supplements Madison Family Advisors, Inc.'s brochure. You should have received a copy of that brochure. Please contact John Betterman at if you did not receive Madison Family Advisors, Inc.'s brochure or if you have any questions about the contents of this supplement.

Additional information about John Betterman (CRD #1684532) is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 - Educational Background and Business Experience

Full Legal Name: John Joseph Betterman

Year of Birth: 1962

Education

Bachelors of Arts in Economics and Psychology 1984
University of Illinois, Champaign, IL

Masters of Management in International Business,
Marketing and Finance 1993
Kellogg Graduate School of Management, Evanston, IL

Business History

December, 2011 – Present CCO at MFA, Adviser

August, 2010 - November, 2011 Oak Family Advisors, LLC

July, 2006 - July, 2010 Chief Executive Officer, Betterman Investment Group, LLC

May, 1994 - June, 2006 Private Banking & Investment Group, Merrill Lynch

Item 3 - Disciplinary Information

Arbitration

John J. Betterman has gone to arbitration one (1) time since beginning in the business in March of 1987. As described in the Investment Adviser Representative Public Disclosure Report, please read below:

- The arbitration took place while Mr. Betterman was at Merrill Lynch, Pierce, Fenner and Smith, Inc.;
- Allegations: Customers allege that Financial Adviser made unsuitable investments in light of their investment objectives. The investment strategy was also contrary to the long-term growth portfolio selected for them. Customers further allege that Financial Advisor gave false and misleading assurances regarding their accounts;
- Alleged Damages: \$680,699.00;
- Settlement Amount: \$180,000.00

This claim was settled at mediation, without admitting any liability, to avoid the expense of further litigation. There have been no awards where John J. Betterman has been found liable in a civil, self-regulatory or administrative proceeding involving stated elements.

Tax Liens

John J. Betterman has IRS Tax Liens from 2007 and 2008 for a total of \$167,411.38. These liens accumulated as a result of a divorce.

Item 4 - Other Business Activities

As noted in Item 10 "Other Financial Industry Activities and Affiliations" of the ADV Part 2A, John Betterman has no outside business activities and/or affiliations to disclose.

Item 5 - Additional Compensation

Mr. Betterman does not receive any other compensation.

Item 6 - Supervision

In the course of his supervisory duties as CCO, John Betterman will periodically review advisory accounts, correspondence, financial assessments, and advisory activities. Please contact him at (847) 440-1639 with questions regarding supervision.

Item 7 - Requirements for State-Registered Advisers

John J. Betterman, as disclosed in Item 3 above, has the following arbitration case to disclose. John J. Betterman has no other events to disclose. John J. Betterman has not been the subject of a bankruptcy petition.

Arbitration

John J. Betterman has gone to arbitration one (1) time since beginning in the business in March of 1987. As described in the Investment Adviser Representative Public Disclosure Report, please read below:

- The arbitration took place while Mr. Betterman was at Merrill Lynch, Pierce, Fenner and Smith, Inc.;
- Allegations: Customers allege that Financial Adviser made unsuitable investments in light of their investment objectives. The investment strategy was also contrary to the long-term growth portfolio selected for them. Customers further allege that Financial Advisor gave false and misleading assurances regarding their accounts;
- Alleged Damages: \$680,699.00;
- Settlement Amount: \$180,000.00

This claim was settled at mediation, without admitting any liability, to avoid the expense of further litigation. There have been no awards where John J. Betterman has been found liable in a civil, self-regulatory or administrative proceeding involving stated elements.