

Feddern Financial Consulting Group, LLC
603 North Shore Drive, Suite #102
Jeffersonville, IN 47130
(502) 442-0363

www.fedderngroup.com

Brochure Dated: 12/31/2010

This Brochure provides information about the qualifications and business practices of Feddern Financial Consulting Group. If you have any questions about the contents of this Brochure, please contact us at (502) 442-0363 or info@fedderngroup.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.

Feddern Financial Consulting Group 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 about which you determine to hire or retain an Adviser.

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

Material Changes

On July 28, 2010, the United States Securities and Exchange Commission published "Amendments to Form ADV" which amends the disclosure document that we provide to clients as required by SEC Rules. This Brochure dated 12/31/2010 is a new document prepared according to the SEC's new requirements and rules. As such, this Document is materially different in structure and requires certain new information that our previous brochure did not require.

In the future, this Item will discuss only specific material changes that are made to the Brochure and provide clients with a summary of such changes. We will also reference the date of our last annual update of our brochure.

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 materials changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested by contacting Otto G. Feddern, President/CCO at (502) 442-0363 or otto@fedderngroup.com. Our Brochure is also available on our web site www.fedderngroup.com, free of charge.

Additional information about Feddern Financial Consulting Group is also available via the SEC's web site www.adviserinfo.sec.gov. The SEC's web site also provides information about any persons affiliated with Feddern Financial Consulting Group who are registered, or are required to be registered, as investment adviser representatives of Feddern Financial Consulting Group.

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Item 4 Advisory Business:

Feddern Financial Consulting Group, LLC (Referred to as We, Us, Our in this document) was established in 2006 and is an independent investment advisory firm that provides investment management and consulting services to individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations and business entities. It is owned and operated by Otto G. Feddern, President & CCO and an Investment Advisor Representative.

Prior to entering into a relationship with us to provide you with any of our investment advisory services, you will be required to enter into one or more written agreements that set forth the terms and conditions under which we will render our services and the fees that you will be charged for these services. Neither of us may assign this agreement without the consent of the other party. Transactions that do not result in a change of our actual control or management (such as adding additional partners or business organization changes) shall not be considered an assignment.

A copy of our privacy policy notice and a copy of this written disclosure (previously known as SEC Form ADV part 2) are provided to each client prior to or at the time of execution of the Agreement.

Description of Services we Offer:

In performing our services, we are not required to verify any information that you or other professionals that you retain (for example your attorney, accountant, etc.) and we expressly authorized to rely on this information provided to us in making recommendations for you. All clients are required to complete a Risk Profile AND a Risk Personality Identification BEFORE opening an account.

While our contract for our retirement plan advisory services is with the Human Resource Companies who offer these types of group plans, our contract also offers the individual participants of these small companies full access to our services as well as advice to the trustees and sponsors of the plan. We maintain a website that is updated on a daily basis that allows participants to see our daily recommendations to buy, sell or hold securities available to them under their company's platform using their company login. Each participant is encouraged to view our online recommendations for funds and amounts based on their own individual investment personality profile and the amount available for investment in their individual account. Participants are free to adopt the recommendations or not to adopt the recommendations as they choose without penalty. We also offer other tools to assist participants on our resources tab of our website. In addition, the individual participants may call us for additional advice, clarifications, or a review of their individual retirement goals at no charge to them.

1%@risk Philosophy and Methodology

We have developed a unique method of determining our mutual fund recommendations that we call 1%@risk. In our process, we limit our recommendations to No-load Index Mutual Funds. No-load mutual funds are investment vehicles that generally do not have restrictions on length of ownership, are priced in the open market only once each day and have lower fees overall which makes them a good choice for programs like ours that do not use a "buy and hold" philosophy. We have developed a proprietary process to determine how much of each fund and which types of funds to recommend based on research we do on a daily basis. We may also refer to this method as "downside risk management" because it describes our investment philosophy.

Our step by step process for determining daily recommendations are fully explained in a document entitled "1%@risk" that is available on our website. You may request a paper copy of this document from us as well.

To summarize, our 1%@risk method calculates the maximum amount of any single fund to purchase to assure that no more than one percent of your entire portfolio is at risk of loss for each particular fund. We use chart and figure data that looks at the price movements of the funds we recommend to determine our "buy point" and our stop losses. This process evaluates when a fund is expected to rise in value and determines the price at which we will purchase each fund. We then calculate a "stop-loss price" for each fund that will trigger a sell signal when the daily price falls to that stop loss limit. Using this method, we are able to limit the losses in your portfolio. It is important to note that this method focuses more on limiting losses than on maximizing gains on portfolios.

We make our mutual fund recommendations available to both our discretionary clients and our non-discretionary clients. Discretionary client portfolios are automatically invested in the allocations for the risk tolerance level they select on our discretionary agreement. Non-discretionary client agreements specify that portfolios are invested by the client themselves and those clients choose to use or not use any or all of the recommendations that we make. You may change your discretionary level at any time by signing a new agreement with us.

If you determine that you prefer not to automatically participate in some or all of our recommendations, you may hold other assets or types of investments in your portfolios and make your own determination to buy and sell any of your investments at any time during normal business hours. You may hold any type of investment you prefer provided that it is allowed by the custodian of your portfolio. You may ask for information about investments that you are considering and we will compile your requested information to the best of our ability using tools and resources available to us. You may also request an evaluation of your portfolio that we will provide you as part of our services to you.

We use no-load Index Mutual Funds as the investment vehicles for our internal managed accounts.

Any Mutual Fund vehicle provides automatic diversification by investing a client's money in a basket of stocks, bonds, or any combination. The investor owns "shares" of the fund representing ALL of the holdings in proportion to their investment. The shares of the fund are valued at the close of business every day.

After careful research, we have determined that Mutual Funds that reflect an index basket that is static and not managed is preferable for our purposes. Fees are lower, and assets are predictably stable. They are true no-loads with zero up-front sales charges and zero back-end redemption fees.

Our list includes 40 different funds that are allocated in varying amounts to FIVE different client-identified Risk Profiles (Conservative, Mod-Conservative, Moderate, Mod-Aggressive, and Aggressive).

Discretionary Services:

We provide Discretionary investment recommendation services to some of our clients using a managed risk program that we call **"Do it for me"**. These clients enter into a discretionary agreement with us that gives us the authority to purchase and sell investments in their portfolio without notifying them on each transaction. When you choose this option, we take care of the individual buy and sell transactions in your account for you based on our recommendations. You will determine your personal risk level from one of five levels using a "risk tolerance quiz" and then we keep your portfolio fully invested with an allocation of investments that is designed to meet the goals of your risk level.

Our five risk tolerance levels are Conservative, Moderately Conservative, Moderate, Moderately Aggressive and Aggressive. You may take the risk tolerance evaluation quiz on our website at any time to help determine what your level is or you may request a paper form of this quiz. Once you choose a level that meets your personal needs, we will not notify of you BEFORE we make a trade in your portfolio, instead, you will receive a "confirmation" either by email OR by regular mail and the transactions will appear on your statement. A monthly performance report is mailed to you immediately after the end of the month for you to review. You may change your risk level at any time by notifying us in writing.

Non-Discretionary Services:

We provide two levels of non-discretionary services to clients who prefer to keep absolute discretion over their own account by entering into a non-discretionary agreement with them. All levels of our non-discretionary services include access to our website recommendations, our web tools and research information, individual consultations, research, and personalized recommendations upon request. Requests are handled as quickly as possible and in the order in which they are received by us.

The first level of non-discretionary service that we offer we call **"I'll do it myself"**. At this level of service, you will sign a non-discretionary agreement that lists the services that we will provide to you, (such as performance reporting and evaluation, research, and access to our mutual fund recommendations) but you DO NOT give us the authority to purchase and sell investments in your account without your specific approval. When you choose this option, you will make the decisions for yourself to use our some, all or none of our mutual fund recommendations or you may choose to invest in any legal investments permitted by the custodian of your account. You make all the decisions and have the final say in all of your investments.

Another level of non-discretionary service that we offer we call **"Help me do it"**. This level of non-discretionary service uses the same mutual fund recommendations that we use for our discretionary clients, but instead of automatically making the purchase or sell transaction in your account, we will notify you of the pending transaction and you must decide if you wish to participate or not. In this type of non-discretionary agreement, you must give us a method of contacting you.

If we are not able to make contact with you by any of your listed means, then you will not be included in that trade at that time. We are not responsible for any lost opportunities or communication failures that may prevent calls or messages from going through and so this level of service presents its own unique risk of missed opportunities. Your performance results on this level of service may not reflect the results reported in our discretionary accounts because the actual trades may not occur if you choose not to participate in one or

more of our signals or you are not included for lack of instruction to us. You may always access our current recommendations from our website.

We update these every business day the financial markets are open, but changes and signals do not occur every business day. We offer a free daily email newsletter that you may subscribe to that informs you when we make any change to our recommendations. You may sign up for the newsletter on our website or you may call us to request a link to our sign up page in an email.

We also offer non-discretionary service to retirement plans that have an agreement with us to manage their portfolio. Most often, these are 401-k Plans, 403-b Plans, or Defined Contribution retirement plans where the participants of the company plan receive specific recommendations through the company. At this level of service, it is the company that has the agreement with us and not the individual participants in the company plan. While our agreement is with the company to help the trustees of the retirement plan make choices such as what funds to offer in the plan, performance reviews and evaluations, we also offer the individual participants limited non-discretionary services such as access to our website recommendations using their company's login, full access to our website resources and tools, enrollment in our daily email newsletter with updates on changes to their plan and individual consultations upon request. These participant services are included in the non-discretionary agreement we have with their employer.

We have also developed a service especially for 401-k and 403-b participants who desire us to "manage" their accounts for them.

Referral Services:

Occasionally we may recommend the services of other investment advisors, non-affiliated investment managers, certified financial planners or other professionals to help you meet your personal financial goals. When this occurs, these outside persons or companies will provide their own disclosures to you and you will enter into an agreement with them that does not involve us.

We may be compensated by them in the form of a referral fee or have a fee sharing agreement with them and when this occurs, all compensation that we receive is disclosed to you before or at the time you enter into an agreement with them. We do not retain discretionary authority for investments you make with persons or companies that we recommend outside of our own services. We do not have any authority to direct those investments placed with other professionals.

We have no authority to hire or fire those managers without your specific direction. These types of referrals are not considered as assets under our management and we do not include the balances of your investment funds placed with professionals in our totals of assets under management as listed below.

We have eliminated most conflicts of interest by having a "fee-only" source of income from all of our accounts. In other words we simply charge a fee based on the value of your account rather than being paid by the various investments (commissions). Therefore, we recommend a mix of investments that we believe is best for you and your risk tolerance without a conflict of interest.

As an associated person of the Zaner Group, Mr. Feddern will receive commission-based compensation for recommending alternative investments through the Zaner Group. Compensation earned by Mr. Feddern in his capacity as an associated person of the Zaner Group is separate but is not in addition to our advisory fees. This practice presents a conflict of interest because Mr. Feddern has an incentive to recommend that advisory clients purchase alternative clients through the Zaner Group for the purpose of generating commissions rather than solely based on your needs. However, you are under no obligation, contractually or otherwise, to purchase alternative investments the Zaner Group.

However, the various commodity and currency (FOREX) managed accounts that are available from our due-diligence research are used through the Zaner Corporation in Chicago; and as a branch of Zaner, Feddern Financial Consulting Group is paid 20% of the commissions that the various managers generate in their trading discipline usually with PFG commodity brokers. We DO NOT charge our management fee in addition. There are no additional fees paid to us.

Manager of Manager Services:

We have developed a proprietary method of analyzing alternative investments to determine if the investment meets certain criteria for our recommendation as a suitable outside investments for some of our clients for either Hedging or Speculative purposes. We refer to this service as management of managers. Our evaluation system evaluates a minimum of the last four to five years of monthly data on the alternative investment. The data we use in an evaluation includes but is not limited to:

- the investment's quarterly (or monthly) NET returns
- their management, disciplines
- risk volatility of the investment

After the data is evaluated, we compare the actual returns of this investment to appropriate indexes and we carefully review the resulting reports for suitability and appropriateness for inclusion in our recommendations. The ideal alternative investment will be low risk and high performing, have low volatility and have a "stop-loss" system to limit losses.

We follow the Pareto principle (also known as the 80/20 rule) in that we recommend that no more than 20% of your portfolio value should be invested in speculative or hedging alternative investments.

Investing in "alternative investments" are sometimes perceived to be more risky than traditional assets such as stocks, bonds and cash. This perception is very often comes from lack of being familiar with the asset class such as Commodities, Currencies, etc. rather than an inherent riskiness.

Our recommended "Alternative" managers use Commodities, Currencies, ETFs (Exchange-traded funds), and individual Stocks. These investments are considered "riskier" than Index Mutual Funds and we monitor these "managed accounts" on a daily basis for any sign of variants to the stated discipline. Any negative quarterly return (commonly called "downdraft") that exceeds ANY previous one is a red-flag and will cause us to stop using that manager until a conference call is made between the manager, ourselves, AND you.

It is important for you to remember that it is your responsibility to promptly notify us if there is ever any change in your financial situation or in your investment objectives or

goals so that we may review, evaluate, or revise the our previous recommendations and/or services to meet your new needs.

As of December 10, 2010 Assets under management totals were as follows:

Discretionary Accounts:	\$5,116,550.00
Non-Discretionary Accounts;	<u>\$6,371,533.00</u>
Total Assets under Management	\$11,488,083.00

Item 5 Fees and Compensation:

We utilize the brokerage and clearing services of Charles Schwab & Co., Inc. Institutional Services ("Schwab") for most of our investment management accounts. As our primary custodian, Schwab deducts our management fees directly from your investment accounts. You may choose another custodian; you are not required to use Schwab to take advantage of our recommendations. In these cases our fees will be invoiced to the client. Our relationship with any alternative custodian you choose may be different than our relationship with Schwab and any limitations or differences will be disclosed to you at the time you enter into a relationship with us.

Our fees are negotiable, but generally range from one percent to two percent of assets under management depending upon the level and scope of the services agreed to. We offer our service on an annual fee basis where fees are based upon the value of the your assets under management which is prorated and charged quarterly, in advance, based upon the market value of the assets on the last day of the previous quarter. Transactions that occur during the quarter are included in the next quarter's calculation. Management fees are generally debited from your account the first week of the month following the end of the quarter.

We use computer software furnished by Schwab to calculate fees due. The fee for any assets that are deposited into or withdrawn from an account after the inception of a quarter will be prorated based on the number of days remaining in the quarter. The software calculates the proration of fees for transactions that occur after fees are charged and adjusts the amount of the next quarter's fees as needed. All information is transmitted to Schwab electronically using secure channels.

Either you OR Feddern Financial Consulting Group may terminate our agreement by written notice to the other. In the event that you terminate our services, the balance of our unearned fees (if any) shall be refunded to you. Your refund is calculated by taking the amount of the quarterly fee, dividing it by the number days in that quarter and multiplying the daily amount by the number of unused days remaining in the quarter. If termination occurs within five business days of entering into an agreement for services the client shall be entitled to a full refund.

Our annual management fee is exclusive of, and in addition to brokerage commissions, transaction fees, and other related costs and expenses which you may incur from Schwab or any other custodian that you may have. We do not receive any portion of commissions, fees, and costs collected by any custodian. (The only exception to this policy is the commodity commissions (20%) received from Zaner.) Typical fees charged by custodians may include custodial fees, charges imposed directly by a mutual fund or exchange traded fund in the account, these are disclosed in the fund's prospectus.

Other types of fees that we do not participate in that you may be charged include fund management fees and other fund expenses, deferred sales charges, odd lot differentials, transfer taxes, wire transfer and electronic fund fees, as well as other fees and taxes on brokerage accounts and securities transactions.

As previously stated, we typically recommend no-load mutual funds without redemption fees to our clients, however, some Mutual Funds that we recommend may be subject to the types of typical administrative fees listed above. We will disclose those fees to you when applicable. We do not share in any fees charged by Mutual Funds or their managers.

You have the option of purchasing investment products that we do not recommend from other brokers or agents not affiliated with us. These products are generally exempted from our management fees but may be subject to the types of typical administration fees listed above. These types of investments may have specific fees associated with them that we do not participate in.

When we recommend that you authorize active discretionary management of a portion of your portfolio assets among independent investment manager(s) or other unaffiliated investment advisors, we are compensated by them for our referral. Our compensation for our referral and monitoring services is a negotiated fee paid directly by the outside professional in accordance with the requirements of Rule 206(4)-3 of the Investment Advisers Act of 1940, as amended, and any corresponding state securities laws, rules, regulations, or requirements. All these fees are paid solely from the outside professional's collected fees and is NOT an additional charge to you. All of our compensation agreements with all outside professionals are disclosed to you prior to or at the time you enter into an agreement with that professional. In these cases, we do not retain any authority to direct your investments with that outside professional and we are not able to terminate your relationship with them. We will continue to provide advisory services to you by performing an ongoing monitoring and review of your account performance by that professional. We will notify you if we discover important information that may influence your decision to invest with them as quickly as we find it. You will then have to make the decision on how to take action directly with that professional.

We are generally compensated by outside professionals in one of the following ways:

- Referral fees are negotiated with the outside professional and are paid from the amount that they collect from you, thus reducing their portion of the fee.
- We may share in the management fees collected by the professional at a fixed percentage on an ongoing basis for the time the assets are under management.

ALL compensation paid to us for our recommendations to you for referring you to any outside professionals is disclosed to you at the time of our referral and disclosed again if you enter into an agreement with them.

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

We do not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client), nor do we manage any mutual funds so as a result, we do not participate in any side-by-side management (where the same fund manager simultaneously manages mutual funds and hedge funds).

Item 7 Types of Clients

We provide our management services to individuals, high net worth individuals, 401-K Plans 403-b Plans and Defined Contribution retirement plans. The SEC considers 401-k plans as individual investors according to their stated definition. We have contracts with Human resource agencies that combine 401-k plans for many small businesses under one platform to maximize benefits for these generally smaller companies who may not be able to offer a 401-K plan to their employees on their own.

While our contract for our retirement plan advisory services is with the Human Resource Companies who offer these types of group plans, our contract also offers the individual participants of these small companies full access to our services as well as advice to the trustees and sponsors of the plan. We maintain a website that is updated on a daily basis that allows participants to see our daily recommendations to buy, sell or hold securities available to them under their company's platform using their company login. Each participant is encouraged to view our online recommendations for funds and amounts based on their own individual investment personality profile and the amount available for investment in their individual account. Participants are free to adopt the recommendations or not to adopt the recommendations as they choose without penalty. We also offer other tools to assist participants on our resources tab of our website. In addition, the individual participants may call us for additional advice, clarifications, or a review of their individual retirement goals at no charge to them.

We generally impose a minimum portfolio value of \$50,000.00 for our investment management services. We do sometimes negotiate to waive our minimum account size or charge a lesser management fee based upon certain criteria (for example anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing client, account retention, pro bono activities, etc.). All account minimums and related management fees are negotiable.

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

"Investing in securities involves risk of loss that clients should be prepared to bear."

The proprietary analysis "system" used at Feddern Financial Consulting Group is based on the work of Harry Markowitz, Bill Sharpe, Craig Witt, and Frank Sortino among others. Traditional calculations include detailed comparisons of the external managers and our own internal system against a risk-free investment of 90-day t-bills.

Most clients consider "Risk" as LOSING MONEY! All of our investment vehicles contain protective STOPS that are routinely upgraded at least on a weekly basis and very often more frequently based on the volatility of the markets AND the investment vehicles. These STOPS are used to control and mitigate the downside and are raised as the investment price rises in order to protect profits.

We expect the money management disciplines to show historically better risk measurements and comparably better returns than the market benchmark. Our internal "benchmark" for performance is actually ZERO...in other words we expect NOT TO LOSE our clients' money on an annual basis.

We prudently allocate assets in TWELVE different asset classes which reflect ALL possible segments of the markets. And we have a daily monitoring system that consists of

FOURTEEN indicators of “market health.” They allow us the freedom to buy or sell an investment based on the probabilities of success.

Since we are concerned with the “downside” and preventing clients from losing money, our clients may not be fully invested in volatile or negative times. A document called Terms And Definitions is published on the Feddern Financial Consulting Group website on the Resources link that provides definitions for these calculations and other standard measures used to make recommendations.

Feddern Financial Consulting Group uses a proprietary method for making recommendations for investing in our platform of no-load mutual funds which we have named “1%@risk.” This program first identifies a client’s risk personality profile from 5 choices ranging from aggressive to conservative and then uses that profile to suggest a mix of funds that will meet the clients risk specific objectives. Selection of offered funds and calculation of the amount of money to be held in those funds is well diversified over many classes, sectors, and investment styles.

The entire mutual fund selection and determination process is explained in detail in a document called 1%@risk that is available on the Fedderngroup.com website on the resources tab and may also be requested in paper form by contacting the Feddern Group office. This system uses “signals” based on a daily evaluation process to determine the time to purchase, sell or hold funds. Make no mistake, we are market-timers; however, we do not blindly hold investments when our indicators give a SELL signal.

Daily evaluation information comes mainly from Dorsey Wright and Associates and is uploaded and reviewed on a daily basis. Other research tools including Morningstar Principia, Yahoo finance, and others may also be used in making investment recommendations to clients.

Feddern Financial Consulting Group does not practice Buy & Hold strategies unless the market indicators are positive. The use of No-load Index Mutual Funds with no holding period and no redemption fees reduces the risk that frequent trading will significantly impact portfolio performance because of fees and expenses. All discretionary portfolios are reviewed on a daily basis for buy, sell or hold signals on each security. Charting security prices determines the signal by examining price trends and makes a decision to buy hold or sell.

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 Feddern Financial Consulting Group or the integrity of Feddern Financial Consulting Group’s management. Feddern Financial Consulting Group has no information applicable to this Item.

Item 10 Other Financial Industry Activities and Affiliations

We are not registered as a broker-dealer and we do not participate in any brokerage commissions or fees. The one exception is commodity commissions from ZANER (see below)

We are a branch of the Zaner Group in Chicago IL and Mr Feddern functions as an introducing broker for some clients investing in some of our recommended alternative investments. Zaner Group is under the authority of the Commodity Futures Trading Commission (CFTC). The CFTC website address is <http://www.cftc.gov>. The CFTC website provides additional information about Forex and Futures trading. As an introducing Broker, we typically share in the fees and commissions with the CTA (Commodity Trading Advisor) we may recommend. ALL of these advisors are made available for our use through Zaner.

Commodity trading advisors trade commodities and currencies using Forex and Futures markets. Forex and Futures trading can be volatile and risky; clients who participate in these investments will receive additional risk disclosures directly from the CTA that spells out in detail the risks involved with that particular investment.

All fees and fee sharing arrangements with CTA's or other trading programs are disclosed in advance to clients at the time the investment is made or a contract with the CTA is entered into by the client. Our compensation is always included in the advisory fee charged by the CTA in accordance with the requirements of Rule 206(4)-3 of the Investment Advisers Act of 1940, as amended, and any corresponding state securities laws, rules, regulations, or requirements. All compensation paid to us is paid solely from the agreed CTA fees and does not result in extra cost to clients.

A potential conflict of interest may appear from using a CTA that has an aggressive trading platform and as a result generates more than an average amount of commissions.

As an associated person of the Zaner Group, Mr. Feddern will receive commission-based compensation for recommending alternative investments through the Zaner Group. Compensation earned by Mr. Feddern in his capacity as an associated person of the Zaner Group is separate but is not in addition to our advisory fees. This practice presents a conflict of interest because Mr. Feddern has an incentive to recommend that advisory clients purchase alternative clients through the Zaner Group for the purpose of generating commissions rather than solely based on your needs. However, you are under no obligation, contractually or otherwise, to purchase alternative investments the Zaner Group.

Otto G. Feddern, President and CCO of Feddern Financial Consulting Group, is a licensed insurance agent in the states of Indiana and Kentucky. As an insurance agent, Otto may recommend the purchase of fixed annuities and term/universal life insurance to certain clients. When these products are recommended to clients, Otto receives commissions on the sale from the insurance company who issued the policy. Commissions collected on insurance products are paid by the issuing insurance company and do not add any additional costs to the client.

A potential conflict of interest could happen if the client does not fully understand the insurance product and it's purpose in risk management.

Insurance commissions earned by Mr. Feddern are separate and are NOT in addition to our advisory fees. This practice presents a conflict of interest because Mr. Feddern has an incentive to recommend insurance products to you for the purpose of generating commissions rather than solely based on your needs. However, you are under no

obligation, contractually or otherwise, to purchase insurance products through any person affiliated with our firm.

Related Persons affiliated with Feddern Financial Consulting Group

All individuals that render investment advisory services on our behalf must have earned a college degree and/or have substantive investment-related experience. In addition, all these individuals hold all the required investment-related licenses and/or designations. In addition, they are required to keep up on their continuing education requirements to maintain their designations.

All our advisor representatives are supervised by Otto G. Feddern and they are required to follow our policy and procedures and our code of ethics. Violations of either may result in termination of the relationship with that representative. Our representatives are reviewed for compliance to all applicable laws and rules on a regular basis. They are also required to have all marketing materials, including mailing materials, oral presentations and online communications approved by the compliance officer before sending or using it to be certain it complies with all the SEC rules and regulations for such material.

Our representatives are independent contractors and not employees. This means that we enter into a contract with advisor representatives to solicit clients who interested in our "downside risk management" methodology and they are compensated for bringing us new by receiving a percentage of the fees we collect from those clients.

Fees paid to representatives are paid by Feddern Financial from fees collected from clients and are not "in addition" to those fees. Our representatives run their own business, find their own leads and pay for their own expenses. Representatives have the option to maintain office space at our physical location but they are charged rent for the space that they use and may pay fees for administrative assistance. We may approve the mailing of announcements or other types of mass mailings or advertising at our expense in behalf of our representatives, but this is an exception and not a rule. Our representatives are expected to cover their own marketing expenses as part of our contract with them.

Our representatives are not permitted to engage in activities that may pose a conflict of interest to clients such as receiving commission trails, participating in fees from sales of particular securities, or collecting bonuses or other compensation for recommending investments of any type. There is no financial incentive for our representatives to recommend securities based on factors outside the stated goals of their client.

Our representatives are not permitted to engage in any investment-related activities outside the scope of Feddern Financial Consulting Group's stated policies unless specifically approved by Otto G. Feddern, the Chief Compliance Officer. Such activities are disclosed to clients when approved.

Our representatives are permitted to buy or sell securities that we also recommend to our clients consistent with our policies and procedures. All Mutual Funds are purchased for clients AND representatives through Schwab Institutional and are based on end-of-day pricing. EVERYONE receives that same price. You may request a copy of this document from us.

Every effort is made to prevent conflicts of interest when Feddern's Representatives participate in the same recommendations offered to clients. We eliminate the potential conflict of interest by using Mutual Funds only. All of these funds are priced at the end of the day, and EVERYONE receives the same price when either BUYING or SELLING.

Recommendation of Other Advisers

We may recommend that you use an unaffiliated investment adviser based on your needs and suitability. We could receive compensation from the investment adviser for recommending that you use their services. These compensation arrangements are sharing in their fees OR as in CTAs a 20% allocation of their commissions generated at Zaner. This presents a conflict of interest because we have a financial incentive to recommend the services of the third party adviser; however, our usual management fee is waived. You are not obligated, contractually or otherwise, to use the services of any investment adviser we recommend.

Item 11 – Code of Ethics

We have adopted a code of ethics that sets forth the standards of conduct we expect of our officers and our representatives and we require compliance with all applicable securities laws. All of our officers, employees and representatives are required to follow our Code of Ethics. You may request a printed copy of this document from us.

In accordance with Section 204A of the Advisers Act, our Code of Ethics contains written policies designed to prevent the unlawful use of material non-public information. It also describes our high standard of business conduct and our fiduciary duty to our clients. It 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 and the reporting of gifts and business entertainment items, personal securities trading procedures, among other things. All supervised persons at Feddern Financial Consulting Group must acknowledge the terms of our Code of Ethics annually, or as amended.

Our Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our representatives and employees will not interfere with making decisions in the best interest of our clients. To further prevent conflicts of interest, we do not perform any principal or agency cross securities transactions for client accounts, nor do we perform cross trades between client accounts.

Principal transactions are defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated person, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another client account.

Our representatives are permitted to buy or sell securities in their own accounts that we also recommend to our clients consistent with our policies and procedures. All Mutual Funds are purchased for clients AND representatives through Schwab Institutional and are based on end-of-day pricing. EVERYONE receives that same price. You may request a copy of this document from us.

Every effort is made to prevent conflicts of interest when Feddern's Representatives participate in the same recommendations offered to clients. We eliminate the potential conflict of interest by using Mutual Funds only. All of these funds are priced at the end of the day, and EVERYONE receives the same price when either BUYING or SELLING.

An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which itself (or its representatives) acts as a broker for both the advisory client and also for another person on the other side of the transaction. Agency cross transactions may arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer.

Item 12 – Brokerage Practices The Custodian and Brokers We Use

We do not maintain custody of your assets that we manage or on which we advise, although we may be deemed to have custody of your assets if you give us authority to withdraw fees from your account (please see Item 15 – Custody, below).

We do not receive directed brokerage commissions from ANY BROKER'S TRANSACTIONS.

Your assets must be maintained in an account at a "qualified custodian," such as a broker/dealer, bank, or insurance company. We generally recommend that our clients use Charles Schwab & Co., Inc. (Schwab Institutional), a registered broker-dealer, member of the SIPC, as their qualified custodian.

We are independently owned and operated and are not affiliated with Schwab. Schwab will hold your assets in a brokerage account and buy and sell securities when we or you instruct them to do so. While we recommend that you use Schwab as your custodian/broker, you will decide whether to do so and will open your account with Schwab by entering into an account agreement directly with them. We do not open the account for you, although we may assist you.

How We Select Brokers/Custodians

We recommend that you use a custodian/broker who will hold your assets and execute transactions on terms that are, overall, most advantageous when compared to other available providers and their services. We recommend Charles Schwab Institutional for all of our accounts.

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

- Combination of transaction execution services and asset custody services (generally without a separate fee for custody)
- Capability to execute, clear, and settle trades (buy and sell securities for your account)
- Capability to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- Choice of available investment products (stocks, bonds, mutual funds, exchange-traded funds [ETFs], etc.)
- Quality of back-office services
- Competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate the prices
- Reputation, financial strength, and stability
- Prior service to us and our other clients

- Availability of other products and services that benefit us, as discussed below (see “Products and Services Available to Us From Schwab”)

Your Brokerage and Custody Costs

For our clients’ accounts that Schwab maintains, Schwab generally does not charge you separately for custody services but is sometimes compensated by charging you commissions or other fees on trades that it executes or that settle into your Schwab account [Schwab’s [commission rates [and] asset-based fees] applicable to our client accounts were negotiated based on the condition that our clients collectively maintain a total of at least \$5,000,000 of their assets in accounts at Schwab.] This commitment benefits you because the overall [commission rates [and] asset-based fees] you pay are lower than they would be otherwise. In addition to [commissions [and] asset-based fees], Schwab charges you a flat dollar amount as a “prime broker” or “trade away” fee for each trade that we have executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into your Schwab account.

Our fees are in addition to the commissions or other compensation you pay the executing broker-dealer. Because of this, in order to minimize your trading costs, we prefer to have Schwab Institutional execute trades for your account. We have determined that having Schwab execute most trades is consistent with our duty to seek “best execution” of your trades. Best execution means the most favorable terms for a transaction based on all relevant factors, including those listed above (see “How We Select Brokers/Custodians”).

Products and Services Available to Us from Schwab

Schwab Advisor Services™ (formerly called Schwab Institutional®) is Schwab’s business serving independent investment advisory firms like us. They provide us and our clients with access to its institutional brokerage— trading, custody, reporting, and related services— many of which are not typically available to Schwab retail customers. Schwab also makes available various support services. Some of those services help us manage or administer our clients’ accounts; while others help us manage and grow our business. Schwab’s support services generally are available on an unsolicited basis (we don’t have to request them) and at no charge to us as long as our clients collectively maintain a total of at least \$5 million of their assets in accounts at Schwab. If our clients collectively have less than \$5 million in assets at Schwab, Schwab may charge us quarterly service fees of \$1,200. This fee is paid by us and is not charged to you OR your account. Following is a more detailed description of Schwab’s support services:

Services That Benefit You

Schwab’s institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Schwab’s services described in this paragraph generally benefit you and your account.

Services That May Not Directly Benefit You

Schwab also makes available to us other products and services that benefit us but may not directly benefit you or your account. These products and services assist us in managing and administering our clients’ accounts. They include investment research, both Schwab’s own and that of third parties. We may use this research to service all or a substantial number of

our clients' accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:

- Provides access to client account data (such as duplicate trade confirmations and account statements)
- Facilitates trade execution and allocate aggregated trade orders for multiple client accounts
- Provides pricing and other market data
- Facilitates payment of our fees from our clients' accounts
- Assists with back-office functions, recordkeeping, and client reporting

These services generally benefit only us.

Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:

- Educational conferences and events
- Consulting on technology, compliance, legal, and business needs
- Publications and conferences on practice management and business succession
- Access to employee benefits providers, human capital consultants, and insurance providers

Schwab may provide some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. Schwab may also discount or waive its fees for some of these services or pay all or a part of a third party's fees. Schwab may also provide us with other benefits, such as occasional business entertainment of our personnel.

We are basically a "self-contained" operation with the exception of trade executions which are recommended to be done with Schwab Institutional. In other words we operate ALL aspects of your account within the confines of our firm.

Our Interest in Schwab's Services

The availability of these services from Schwab benefits us because we do not have to produce or purchase them. We don't have to pay for Schwab's services so long as our clients collectively keep a total of at least \$10 million of their assets in accounts at Schwab.

Beyond that, these services are not contingent upon us committing any specific amount of business to Schwab in trading commissions or assets in custody. The \$10 million minimum may give us an incentive to recommend that you maintain your account with Schwab, based on our interest in receiving Schwab's services that benefit our business rather than based on your interest in receiving the best value in custody services and the most favorable execution of your transactions. This is a potential conflict of interest. We believe, however, that our selection of Schwab as custodian and broker is in the best interests of our clients. Our selection is primarily supported by the scope, quality, and price of Schwab's services (see "How We Select Brokers/Custodians") and not Schwab's services that benefit only us. \$10K in client assets under management, and we do not believe that recommending our clients to collectively maintain at least \$10 million of those assets at Schwab in order to avoid paying Schwab quarterly service fees presents a material conflict of interest.

Transactions for each client are executed independently using Schwab technology to submit individual orders in batches. Schwab then performs its best execution for each individual account.

Item 13 – Review of Accounts

We monitor our client portfolios as part of an ongoing process conducted by one of our adviser representatives and generated internally by our office. All clients are encouraged to discuss their needs, goals, and objectives with us on an annual basis and to keep us informed of any changes that may impact their portfolio or their risk tolerance level. We assume that nothing has changed in our client's situations and move forward on that assumption to make decisions on investments.

We mail our discretionary clients monthly performance reports using the United States Postal Service. Clients are encouraged to review these monthly reports and to contact us with any questions or concerns. Clients are also urged to compare the performance report balances with their Schwab statements and inform us of any discrepancies.

Clients are provided with transaction confirmation notices and regular summary account statements directly from Schwab or other custodians. We encourage our clients to sign up for online notifications to receive the best pricing on trades. Copies of Schwab's notifications are archived on the Schwab website for ten years.

Item 14 – Client Referrals and Other Compensation

Feddern Financial Consulting Group does not have a client referral program to compensate clients or other persons for referring business to us and therefore does not pay compensation to any person for referrals.

We receive an economic benefit from Schwab in the form of the support products and services it makes available to us and other independent investment advisors whose clients maintain their accounts at Schwab. These products and services, how they benefit us, and the related conflicts of interest are described above (see Item 12 – Brokerage Practices). The availability to us of Schwab's products and services is not based on us giving particular investment advice, such as buying particular securities for our clients

Item 15 – Custody

Under government regulations, we are deemed to have custody of your assets if you authorize us to instruct Schwab to deduct our advisory fees directly from your account.

Schwab maintains actual custody of your assets. You will receive account statements directly from Schwab at least quarterly, but more practically monthly. Currently Schwab sends monthly statements to its clients. Statements are sent to the email or postal mailing address you provided to Schwab. You should carefully review those statements promptly when you receive them. We also urge you to carefully review Schwab statements and compare these official custodial records to the monthly performance reports we provide to you along with a timely Newsletter.

Item 16 – Investment Discretion

We have discretionary authority over most of our clients' accounts and non-discretionary relationships with a few others. Each client signs an agreement with us that spells out the exact terms of our relationship.

Clients who grant us discretion do so by signing a discretionary agreement with us. Our discretionary relationship terms, conditions, and discretionary authority are detailed in this written document that you sign. When granting discretionary authority, you authorize us to identify, select and execute transactions for securities to be bought or sold. In all cases,

discretion is exercised in a manner consistent with your stated investment objectives for your portfolio, in accordance with the risk profile that you have chosen. All of our discretionary accounts are reviewed on a daily basis for signals as described in item 8.

When selecting securities and determining amounts, we observe any limitations and/or restrictions that you set when we are specifically requested to do so. In this situation, all of your specific or unique investment guidelines and restrictions must be provided to us in writing. Clients may also request a phone call or other communication prior to execution. Clients who establish this type of "contact me first" restrictions are advised that they may miss out on timely trading should they be unavailable to immediately respond to communications from us at the time the transaction is executing which may result in less than optimal trading and/or performance for you in cases where you are unavailable to respond.

Item 17 – Voting Clients' Securities

We have appointed our compliance officer as the person who votes proxies for clients, currently Otto G. Feddern. This officer is responsible for monitoring corporate actions, making voting decisions in the best interest of our clients, and ensuring that proxies are submitted in a timely manner. The officer will generally vote proxies in favor of management under the philosophy that management knows best what their own companies needs are. We will vote ALL proxies! However you may request information from us about how we voted on any proxies on behalf of their account(s).

We keep permanent records on how we voted. We generally vote "with management" since it is our opinion that they will offer the best options for the "greater good" of the company and its shareholders. We do on occasion deviate from this policy when management compensation is an issue. You may request a copy of our voting records by contacting us at the office by phone or by sending us an email.

Item 18 – Financial Information

Investment advisers are required in this Item to provide you with certain financial information or disclosures about their financial condition. We have no financial commitment that impairs our ability to meet contractual and fiduciary commitments to our clients, and we have not been the subject of a bankruptcy proceeding. We do not take physical custody of client assets and we do not require more than \$1200 in fees more than six months in advance.

Item 19 – Requirements for State-Registered Advisers

The Principal Officer and Manager of the Feddern Financial Consulting Group is Otto G. Feddern. As listed in item ten above. Feddern Financial Consulting Group is a State registered advisor in Indiana and Kentucky. All of the required information for State-Registered Investment Advisors is included on the above document. Under current SEC rules, we are not required to complete a separate brochure to attach to this document as it would duplicate information already disclosed above.

The Investment Advisor Representatives affiliated with the Feddern Group are:

OTTO G. FEDDERN

Born 1941

Post-Secondary Education:

University of Louisville – 1966, MM, Theory and Composition

University of Louisville – 1964, BMed, Music Education

University of Louisville – 1963, BM, Music

Recent Business Background:

Fedderm Financial Consulting Group, LLC, President, 08/2006 – Present

Wachovia Securities, LLC, VP Investments, 07/2003 – 08/2006

Prudential Securities, Inc., First Vice President, 11/2001 – 07/2003

PaineWebber, Inc., First Vice President/Senior Institutional Consultant, 06/1999 – 11/2001

BRUCE RICHARDS

Born 1948

Post Secondary Education:

Ball State University – 1970 Industrial Education

Butler University – 1974 BA Education

Recent Business Background

Fedderm Financial Consulting Group, LLC, Financial Advisor, 11/06- Present

IAC Resources, Sales Representative, 7/2000 – Present

HPS Printing Production, Sales Representative, 9/1976 – 7/2000