

# **Municipal Finance Services, Inc.**

**IARD/CRD NUMBER 118481**

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March 31, 2011

## **FORM ADV PART 2 BROCHURE**

This Brochure provides information about the qualifications and business practices of **Municipal Finance Services, Inc. ("MFS")**. If you have any questions about the contents of this Brochure, please contact us at **(405) 340-1727/or [rickasmith@mfsok.net](mailto:rickasmith@mfsok.net)**. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about **Municipal Finance Services, Inc.** also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for Municipal Finance Services, Inc. is **IARD/CRD NUMBER 118481**

Municipal Finance Services, Inc. is a Registered Investment Adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

## ***SUMMARY OF MATERIAL CHANGES***

### **Municipal Finance Services, Inc.'s Brochure has been updated with the following material changes that have occurred since the last annual update.**

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 March 31, 2011 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 Rick A. Smith, President at (405) 340-1727 or [rickasmith@mfsok.net](mailto:rickasmith@mfsok.net). Our Brochure is also available on our web site [www.mfsok.com](http://www.mfsok.com) also free of charge.

Additional information about Municipal Finance Services, Inc. is also available via the SEC's web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's web site also provides information about any persons affiliated with Municipal Finance Services, Inc. who are registered, or are required to be registered, as investment adviser representatives of Municipal Finance Services, Inc

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## **Advisory Business**

Form ADV Part 2A, Item 4

**A. Describe your advisory firm, including how long you have been in business. Identify your principal owners.**

Municipal Finance Services, Inc. (MFS) is an Oklahoma corporation established in March 1990. *Rick A. Smith* serves as President and *Amanda G. Smith* as Secretary/Treasurer. One hundred percent (100%) of the corporation is owned by these two principal officers, comprising the Board of Directors. MFS is located at French Park East Office Park in Edmond, Oklahoma (2<sup>nd</sup> Street between I-35 and Coltrane). The firm's contact information is listed below:

<u>Correspondence (all):</u>	P.O. Box 747 Edmond, Oklahoma 73083-0747
<u>Overnight Mail/Physical Delivery:</u>	3325 French Park Drive, Suite 8 Edmond, Oklahoma 73034-7265
<u>Telephone:</u>	405.340.1727
<u>Facsimile:</u>	405.340.3607
<u>Firm Website:</u>	mfsok.com

**B. Describe the types of advisory services you offer.**

MFS was established in response to Oklahoma communities and school districts seeking independent advice from a Financial Advisor not associated with an underwriting firm. **Consequently, MFS serves exclusively as Financial Advisor and does not buy or sell securities in either the primary or secondary markets.**

MFS has served as Financial Advisor or Municipal Advisor on various types of financing plans, including Oklahoma Water Resources Board Loans, Statewide Revolving Fund Loans, Farmers Home Administration Loans, Private Placements, Revenue Bonds and General Obligation Bonds. One of the strengths MFS brings to a client is our familiarity and clear understanding of the advantages and disadvantages of financing vehicles in order to assist a client in selecting the most viable approach. MFS does not hold funds for or on behalf of its clients and does not manage assets of its clients.

The business objective of MFS is to provide Oklahoma municipalities and school districts with independent, professional Financial Consulting services aimed at developing and implementing capital project plans in the least-costly manner possible. The business philosophy of the firm is to establish a client relationship emphasizing a long-term engagement rather than a transaction-based relationship. This philosophy allows MFS to develop financial plans that are in the best interest of a community as opposed to a fee-generated financing. The business outlook of the firm is to continue to provide quality services at reasonable costs, resulting in an increased market share and a well-established reputation.

The firm is registered with the State of Oklahoma Department of Securities and the Municipal Securities Rulemaking board ("MSRB"), with Rick A. Smith, Jon Gayeland Wolff, Ben Arthur Oglesby and Donald Worley Aitken registered as Investment Advisor Representatives.

The firm is organized into four (4) divisions, briefly described below:

- (1) Business Development - This division's major responsibility is to initiate contacts with existing and potential clients in an effort to assess business opportunities designed to assist communities with planning and debt financing needs. Special attention is provided to current clients to constantly evaluate refinancing and restructuring of existing indebtedness to achieve economical results. In addition, contact with the major rating agencies is a primary task of this group.
- (2) Financial Analysis and Planning - This division is charged with preparing analyses of financial options available to clients to fund capital improvements, including a thorough assessment of current and potential revenue sources. Output generated by this group usually contains computer-generated tables and graphs in a format designed to be easily understood by governing boards and staffs.
- (3) Research - The Research Division places its emphasis on keeping up-to-date on proven financing techniques on both a state and national level. Since public finance is a dynamic area driven by changing markets, it is necessary to stay on top of new and innovative techniques available to communities to meet capital funding objectives. This division also follows state and local legislative actions related to municipal finance and maintains a comprehensive data base on Oklahoma General Obligation and Revenue Bond offerings.
- (4) Administration - The fourth division of the firm bears responsibility for maintaining effective communication with clients and sustaining a high quality of work product. This division also involves coordinating project schedules to ensure timetables are adhered to by the firm's staff.

The type of services offered by MFS include, but are not limited to:

- Ø Utility Rate studies directed to enhance revenue or maintain financial solvency.
- Ø Feasibility studies necessary to determine the economic viability of a single project or group of projects.
- Ø Development of Capital Debt Plans containing comprehensive and long-range recommendations.
- Ø Assistance in preparing loan and grant applications for state programs such as the Oklahoma Water Resources Board (OWRB) or Statewide Revolving Fund (SRF) Loan Programs.
- Ø Guidance on developing and implementing effective public information campaigns or elections regarding bond issues or related initiatives.
- Ø Traditional Financial Advisor services for General Obligation and/or Revenue Bond issues.
- Ø Dissemination of information on current market trends and legislative actions impacting tax-exempt issuers.

MFS features state-of-the-art computer capabilities, including advanced word processing, graphics and financial analysis software. All financial analysis would be conducted in-house by experienced and proficient professionals with a full understanding of the most clear and concise manner to present complex financing transactions.

The following persons may be contacted for reference purposes regarding MFS qualifications and capabilities:

Mr. Anthony Francisco, Finance Director

City of Norman

201 West Gray

P.O. Box 370

Norman, Oklahoma 73070-0370

(405) 366-5411

Mr. Thomas Caldwell, Finance Director

City of Broken Arrow

220 South First Street

P.O. Box 610

Broken Arrow, Oklahoma 74013-0610

(918) 259-2400, Ext. 5411

Ms. Debra Jacoby, Chief Financial Officer

Union Public Schools

8506 E. 61<sup>st</sup> Street

Tulsa, Oklahoma 74133-1926

(918) 357-6006

Mr. Tim Green, Executive Director of Business & Finance

Bartlesville Public Schools

1100 S. Jennings

Bartlesville, OK 74005-1357

(918) 336-8600, Ext. 1020

The key personnel of the firm are:

**RICK A. SMITH, PRESIDENT**, was born July 11, 1955, in Oklahoma City, Oklahoma, and graduated from U.S. Grant High School in May 1972. He received his Bachelor and Master Degrees in Economics from the University of Oklahoma in 1976 and 1978, respectively. Upon graduation, he served as Economist in the Planning Division of the Oklahoma Water Resources Board for two years, during which he was the principal author of the Oklahoma Comprehensive Water Plan, a long range guide for developing and financing Oklahoma's water resources statewide. In 1980, he was promoted to Division Chief of the OWRB Planning and Development Division, where his major responsibility was administering the Board's Loan and Grant Program. During his tenure at the Board, Rick structured and developed the basic loan program now offered by the OWRB, working closely with the Board's Financial Advisor and Bond Counsel. In August 1984, he joined the investment banking firm of Leo Oppenheim & Co., Inc. in Oklahoma City as a Public Finance Specialist with an emphasis on municipal finance clients. He successfully passed the NASD and State of Oklahoma securities examinations in September 1984 to become a General Securities Registered Representative. In 1986, he was made an officer of the firm, assuming the position of Vice President of the Public Finance Department. While at Oppenheim, Rick concentrated on the public finance efforts of Oklahoma issuers faced with funding increased infrastructure needs. He structured various financing vehicles, including General Obligation Bonds, Revenue Bonds, OWRB Loans, Private Placements and Lease Financing transactions for state, county and local issuers. The list of projects funded includes, but is not limited to: street and road improvements; electric, water and sewer system improvements; governmental buildings; industrial projects and equipment acquisitions.

Rick departed Oppenheim in March 1990 to form Municipal Finance Services, Inc., where he serves as President and majority stockholder. Based on an awareness of the need for Oklahoma communities to implement more planning activities, Rick has expanded the traditional role of Financial Advisor to encompass a wide range of consulting services. Rick is registered with the Oklahoma Securities Commission as an Investment Adviser Representative.

He has served as guest speaker on public finance topics at several seminars and conferences sponsored by the Oklahoma Rural Water Association; Oklahoma Municipal League; Municipal Electric Systems of Oklahoma; Oklahoma Clerks, Treasurers and Finance Directors Association and others.

**AMANDA G. SMITH** was born in San Antonio, Texas, and reared in Edmond, Oklahoma. She graduated from Edmond High School, Edmond, Oklahoma, in 1972 and attended the University of Oklahoma the following fall on the President's Leadership Class Scholarship. She majored in Fashion Merchandising at the University, with an emphasis in marketing, and graduated with a Bachelor's Degree in 1976. Upon graduation, Amanda was employed as an Assistant Manager in the downtown branch of Street's, an Oklahoma owned and operated women's retail clothing chain. She became a resident of Norman while employed by Street's and opened a store for the company in Sooner Fashion Mall. In 1982, Amanda went to work for the Oklahoma Water Resources Board in the Planning and Development Division as Division Secretary. At the Board her responsibilities included coordinating all correspondence and schedules of the Division staff, attending certain conferences as recording secretary, being involved in the beginning phases of the Financial Assistance Program and various other duties specific to the division. While at the Board, Amanda was fully trained on the most up-to-date word processing equipment available and became proficient.

Following her employment at the OWRB, Amanda went to work in 1985 in the home mortgage industry as a Loan Processor for Allstate Mortgage Company in Oklahoma City. From there, she worked on a contract basis for Red Eagle Oil Company in the oil and gas industry. She assisted the Risk Manager of the company in the assessment and implementation of the company's group health plan and pension and profit-sharing plans. While working in this capacity, Amanda passed the Oklahoma State Insurance examination to become a licensed life, health and accident independent insurance agent. In March 1990, she became minority stockholder in Municipal Finance Services and holds the position of Secretary/Treasurer on the Board of Directors. She handles the daily management of the office, produces the more complicated word processing tasks required, and is involved in the financial budgeting and planning of the firm's assets, investments and overall projections.

**JON G. WOLFF** was born January 22, 1962, in Cushing, Oklahoma. He graduated from Cushing High School in May 1980 and received a Bachelor of Science Degree in Accounting from Central State University (now University of Central Oklahoma) in 1984. Immediately following graduation, he was employed by the Oklahoma Auditor and Inspector's Office in Oklahoma City. As senior auditor, he was involved in the audits of various state agencies, including, but not limited to the Office of State Finance, State Treasurer's Office and Oklahoma Tax Commission. He also participated in the preparation of the Fiscal Year 1986/87 State of Oklahoma Audit Report.

In May 1987, Mr. Wolff successfully passed the Certified Public Accounting exam and is currently a licensed CPA in the State of Oklahoma. In August 1987, Mr. Wolff joined the City of Del City, Oklahoma, as Treasurer/Comptroller. In this capacity, Jon was responsible for devising, installing and supervising the operation of the general accounting system; evaluating and implementing internal controls; preparing all financial analysis and reports; coordinating and reviewing all debt issuance which involved working with legal and financial professionals; instructing and advising staff; administering accounting software and ensuring proper operation of all computer hardware in the accounting system; and developing, designing and maintaining the City's web site.

Mr. Wolff joined MFS in January 1999 and is registered with the Oklahoma Securities Commission as an Investment Adviser Representative. His major emphasis at the firm is conducting financial analysis for municipalities and evaluating revenue sources and funding vehicles available to individual clients for capital improvements. Mr. Wolff passed his securities exams in 1999.

**BEN OGLESBY** grew up in Birmingham, Alabama and attended the University of Alabama at Tuscaloosa. He graduated with a B.S. in Economics. Mr. Oglesby began his career in finance in 1992 as a loan officer at a consumer finance company. He then worked as a single-family mortgage loan underwriter for a real estate lending company. In 1997, Mr. Oglesby became a Registered Representative with the National Association of Securities Dealers (NASD, now called FINRA) and went to work with Fidelity Brokerage Services, Inc. in Merrimack, New Hampshire. He worked in the section that specialized in equity, fixed income, and options trading. In 2000, Mr. Oglesby went to work for Bank One in Oklahoma City, serving first in the private banking department, and later serving in the investment banking department, serving public issuers in Oklahoma and other states. In 2001, Stephens Inc.

acquired the unit of Bank One in which Mr. Oglesby worked. In 2009, Mr. Oglesby joined Municipal Finance Services and is registered with the Oklahoma Securities Commission as an Investment Adviser Representative.

**LINDA G. SCOGGINS** was born in Aberdeen Proving Grounds, Maryland, and graduated from Enterprise High School in Enterprise, Alabama. She received an Associate of Science Degree from Enterprise State Junior College and attended Troy State University. Ms. Scoggins graduated from the Cannon Financial Institute Corporate Trust School I, II and III with Honors and earned the designation of Certified Corporate Trust Specialist as awarded by the American Bankers Association in 2001.

Prior to joining MFS, Linda was an Administrator and Trust Officer in the Corporate Trust Department for the Bank of Oklahoma in Oklahoma City, Oklahoma, where she was responsible for the administration and marketing of corporate and municipal debt financing bond issues. Ms. Scoggins has over fourteen (14) years of experience in the banking and trust industry, including four (4) years of experience in the Legal Department at Bank of Oklahoma. She had five (5) years of experience in the Corporate Trust Department and administered various types of obligations, including tender option/put bonds, variable obligations and credit enhanced issues.

Ms. Scoggins joined MFS in January 2004 where she serves as Administrative Assistant and Ms. Office Manager.

**D. WORLEY AITKEN** was born in Albuquerque, New Mexico, in 1979 and grew up in Guthrie, Oklahoma, where he graduated high school in 1997. He attended Oklahoma State University in Stillwater, Oklahoma, and received a Bachelor's Degree in Business Administration in December 2001, with a minor in Marketing. He joined Municipal Finance Services, Inc. as a Financial Analyst in July 2003. His current responsibilities include data collection and analysis and information technology assistance for the firm's clients. Mr. Aitken passed his securities exams in 2003 and is registered with the Oklahoma Securities Commission as an Investment Adviser Representative.

#### **E-Mail Addresses**

Rick A. Smith	<a href="mailto:rickasmith@mfsok.net">rickasmith@mfsok.net</a>
Amanda G. Smith	<a href="mailto:amandagsmith@mfsok.net">amandagsmith@mfsok.net</a>
Jon Wolff	<a href="mailto:jonwolff@mfsok.net">jonwolff@mfsok.net</a>
Ben Oglesby	<a href="mailto:benoglesby@mfsok.net">benoglesby@mfsok.net</a>
Linda Scoggins	<a href="mailto:lindascoggins@mfsok.net">lindascoggins@mfsok.net</a>
Worley Aitken	<a href="mailto:worleyaitken@mfsok.net">worleyaitken@mfsok.net</a>

#### **C. Explain whether (and, if so, how) you tailor your advisory services to the individual needs of clients. Explain whether clients may impose restrictions on investing in certain securities or types of securities.**

MFS identifies appropriate funding vehicles for each client to meet objectives and timeframe. MFS does not provide advice or direction on investments to its clients.

#### **D. If you participate in wrap fee programs by providing portfolio management services, (1) describe the differences, if any, between how you manage wrap fee accounts and how you manage other accounts, and (2) explain that you receive a portion of the wrap fee for your services.**

Municipal Finance Services, Inc. has no information applicable to this Item.

#### **E. If you manage client assets, disclose the amount of client assets you manage on a discretionary basis and the amount of client assets you manage on a non-discretionary basis. Disclose the date "as of" which you calculated the amounts.**

Municipal Finance Services, Inc. has no information applicable to this Item.

## ***Fees and Compensation***

Form ADV Part 2A, Item 5

**A. Describe how you are compensated for your advisory services. Provide your fee schedule. Disclose whether the fees are negotiable.**

The fees charged by Municipal Finance Services, Inc. are established in a client's written agreement with Municipal Finance Services, Inc. for financial advisory services to the Client for a particular financing or study or series of financings or studies. Municipal Finance Services, Inc. will generally bill its fees upon the successful closing of a financing and are contingent upon the actual closing of the financing.

Municipal Finance Services has developed a general compensation and fee approach that attempts to recognize the professional services associated with a qualified financial advisory firm and the specific aspects of a proposed engagement. It also enables a client to negotiate an acceptable fee arrangement that is both reasonable and competitive. The Firm generally sets its compensation and fee schedule in accordance with the following considerations:

- Ø Scope of the Engagement (General On-going Consulting Contract or specific issue by issue Engagement)
- Ø Type of Bond Issue, i.e., General Obligation Bonds, Revenue Bonds, OWRB Loans or Advance Refunding Bonds
- Ø Manner of Sale of the Bonds – Competitive, Negotiated or Private Placement
- Ø Anticipated Length of Engagement - Reflecting the short-term nature of a proposed task or the extended time frame some projects often require
- Ø Availability of Adequate Records/Information from a Client
- Ø Whether or not an election is required for the financing
- Ø Existing or New Client Status - Reflecting any previous services rendered by the Firm which often reduces the cost associated with the proposed services
- Ø Other Professionals participating in the financing process - Takes into consideration the level of familiarity MFS may have with other members of the financing team, such as Bond Counsel and Underwriter(s), if negotiated issue

Based on these parameters and other relevant criteria, MFS generally proposes a flat fee or absolute dollar amount to serve as Financial Advisor rather than a percentage fee based on issue size. Often times, an hourly rate is quoted (with a not-to-exceed amount to ensure a client recognizes its maximum fee exposure). MFS does not require payment of any upfront fees prior to the commencement of services.

For Engagements involving a series of bonds to be issued over a period of time from one election, the initial fee is usually slightly higher than subsequent fees to reflect the effort put forth in the planning and election process. In addition, the development of a database and accumulation of informational materials on a client allow the fees charged on future issues to be discounted.

## EXPENSES

The Firm generally charges additional compensation for reimbursement of certain out-of-pocket expenses related to travel, copying, printing, telephone/facsimile, overnight mailing and other similar expenses associated with the financing activity. MFS attempts to cap these expenses at the time of engagement, reflecting the proposed tasks or services to be provided. Travel expenses related to any rating trips outside the State are billed at actual, verified costs, subject to prior approval by a client.

## PAYMENT OF FEES AND EXPENSES

Payment of fees and expenses are due and payable at the time of closing from available funds of the client or from proceeds derived from the financing. Most bond/loan transactions allow the fees to be included in the amount issued or borrowed by the issuer.

## CONTINGENT COMPENSATION

All fees and expenses proposed by the Firm are contingent on the successful issuance and delivery of any obligations. If for any reason, an issue does not close, a client is not responsible for the payment of any costs incurred for the services rendered. *Payment of any fees and/or expenses is solely on a contingency basis.*

## CONTRACTUAL REQUIREMENT

In accordance with the rules and regulations of the Oklahoma Department of Securities, MFS requires a written contract with each client stating the proposed tasks or services to be rendered and the compensation arrangement for performing the tasks or services. Such contract must be approved by the governing body of the client at a public meeting called and held in compliance with the Oklahoma Open Meeting Act. Copies of the form of contracts utilized by MFS are available upon request.

### **B. Describe whether you deduct fees from clients' assets or bill clients for fees incurred. If clients may select either method, disclose this fact. Explain how often you bill clients or deduct your fees.**

Municipal Finance Services, Inc. has no information applicable to this Item.

### **C. Describe any other types of fees or expenses clients may pay in connection with your advisory services, such as custodian fees or mutual fund expenses. Disclose that clients will incur brokerage and other transaction costs, and direct clients to the section(s) of your brochure that discuss brokerage.**

Municipal Finance Services, Inc. has no information applicable to this Item.

### **D. If your clients either may or must pay your fees in advance, disclose this fact. Explain how a client may obtain a refund of a pre-paid fee if the advisory contract is terminated before the end of the billing period. Explain how you will determine the amount of the refund.**

Municipal Finance Services, Inc. has no information applicable to this Item.

**E. If you or any of your supervised persons accepts compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds, disclose this fact and respond to Items 5.E.1, 5.E.2, 5.E.3 and 5.E.4.**

Municipal Finance Services, Inc. has no information applicable to this Item.

## ***Performance-Based Fees and Side-By-Side Management***

Form ADV Part 2A, Item 6

**If you or any of your supervised persons accepts performance-based fees – that is, fees based on a share of capital gains on or capital appreciation of the assets of a client (such as a client that is a hedge fund or other pooled investment vehicle) – disclose this fact. If you or any of your supervised persons manage both accounts that are charged a performance-based fee and accounts that are charged another type of fee, such as an hourly or flat fee or an asset-based fee, disclose this fact. Explain the conflicts of interest that you or your supervised persons face by managing these accounts at the same time, including that you or your supervised persons have an incentive to favor accounts for which you or your supervised persons receive a performance-based fee, and describe generally how you address these conflicts.**

Municipal Finance Services, Inc. does not charge any performance-based fees.

## ***Types of Clients***

Form ADV Part 2A, Item 7

**Describe the types of clients to whom you generally provide investment advice. Such as individuals, trusts, investment companies, or pension plans. If you have any requirements for opening or maintaining an account, such as a minimum account size.**

Municipal Finance Services provides Oklahoma municipalities, school districts and other governmental entities with independent, professional Financial Consulting services aimed at developing and implementing capital project plans in the least-costly manner possible.

***Methods of Analysis, Investment Strategies and Risk of Loss***

Form ADV Part 2A, Item 8

**A. Describe the methods of analysis and investment strategies you use in formulating investment advice or managing assets. Explain that investing in securities involves risk of loss that clients should be prepared to bear.**

Municipal Finance Services, Inc. has no information applicable to this Item.

**B. For each significant investment strategy or method of analysis you use, explain the material risks involved. If the method of analysis or strategy involves significant or unusual risks, discuss these risks in detail. If your primary strategy involves frequent trading of securities, explain how frequent trading can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.**

Municipal Finance Services, Inc. has no information applicable to this Item.

**C. If you recommend primarily a particular type of security, explain the material risks involved. If the type of security involves significant or unusual risks, discuss these risks in detail.**

Municipal Finance Services, Inc. has no information applicable to this Item.

***Disciplinary Information***

Form ADV Part 2A, Item 9

**If there are legal or disciplinary events that are material to a client's or prospective client's evaluation of your advisory business or the integrity of your management, disclose all material facts regarding those events.**

Municipal Finance Services, Inc. has no information applicable to this Item.

## ***Other Financial Industry Activities and Affiliations***

Form ADV Part 2A, Item 10

**A. If you or any of your management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer, disclose this fact.**

Municipal Finance Services, Inc. has no information applicable to this Item.

**B. If you or any of your management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities, disclose this fact.**

Municipal Finance Services, Inc. has no information applicable to this Item.

**C. Describe any relationship or arrangement that is material to your advisory business or to your clients that you or any of your management persons have with any related person listed below. Identify the related person and if the relationship or arrangement creates a material conflict of interest with clients, describe the nature of the conflict and how you address it.**

- 1. broker-dealer, municipal securities dealer, or government securities dealer or broker**
- 2. investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund)**
- 3. other investment adviser or financial planner**
- 4. futures commission merchant, commodity pool operator, or commodity trading advisor**
- 5. banking or thrift institution**
- 6. accountant or accounting firm**
- 7. lawyer or law firm**
- 8. insurance company or agency**
- 9. pension consultant**
- 10. real estate broker or dealer**
- 11. sponsor or syndicator of limited partnerships.**

Municipal Finance Services, Inc. has no information applicable to this Item.

**D. If you recommend or select other investment advisers for your clients and you receive compensation directly or indirectly from those advisers that creates a material conflict of interest, or if you have other business relationships with those advisers that create a material conflict of interest, describe these practices and discuss the material conflicts of interest these practices create and how you address them.**

Municipal Finance Services, Inc. has no information applicable to this Item.

## ***Code of Ethics, Participation or Interest in Client Transactions and Personal Trading***

Form ADV Part 2A, Item 11

**A. If you are an SEC-registered adviser, briefly describe your code of ethics adopted pursuant to SEC rule 204A-1 or similar state rules. Explain that you will provide a copy of your code of ethics to any client or prospective client upon request.**

Municipal Finance Services, Inc. has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. 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 and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at Municipal Finance Services, Inc. must acknowledge the terms of the Code of Ethics annually, or as amended.

Municipal Finance Services, Inc.'s clients or prospective clients may request a copy of the firm's Code of Ethics by contacting Rick A. Smith.

**B. If you or a related person recommends to clients, or buys or sells for client accounts, securities in which you or a related person has a material financial interest, describe your practice and discuss the conflicts of interest it presents. Describe generally how you address conflicts that arise.**

Municipal Finance Services, Inc. has no information applicable to this Item.

**C. If you or a related person invests in the same securities (or related securities, e.g., warrants, options or futures) that you or a related person recommends to clients, describe your practice and discuss the conflicts of interest this presents and generally how you address the conflicts that arise in connection with personal trading.**

Municipal Finance Services, Inc. has no information applicable to this Item.

**D. If you or a related person recommends securities to clients, or buys or sells securities for client accounts, at or about the same time that you or a related person buys or sells the same securities for your own (or the related person's own) account, describe your practice and discuss the conflicts of interest it presents. Describe generally how you address conflicts that arise.**

Municipal Finance Services, Inc. has no information applicable to this Item.

## ***Brokerage Practices***

Form ADV Part 2A, Item 12

**A. Describe the factors that you consider in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (e.g., commissions).**

Municipal Finance Services, Inc. has no information applicable to this Item.

**B. Discuss whether and under what conditions you aggregate the purchase or sale of securities for various client accounts. If you do not aggregate orders when you have the opportunity to do so, explain your practice and describe the costs to clients of not aggregating.**

Municipal Finance Services, Inc. has no information applicable to this Item.

## ***Review of Accounts***

Form ADV Part 2A, Item 13

**A. Indicate whether you periodically review client accounts or financial plans. If you do, describe the frequency and nature of the review, and the titles of the supervised persons who conduct the review.**

Municipal Finance Services, Inc. has no information applicable to this Item.

**B. If you review client accounts on other than a periodic basis, describe the factors that trigger a review.**

Municipal Finance Services, Inc. has no information applicable to this Item.

**C. Describe the content and indicate the frequency of regular reports you provide to clients regarding their accounts. State whether these reports are written.**

Municipal Finance Services, Inc. has no information applicable to this Item.

## ***Client Referrals and Other Compensation***

Form ADV Part 2A, Item 14

**A. If someone who is not a client provides an economic benefit to you for providing investment advice or other advisory services to your clients, generally describe the arrangement, explain the conflicts of interest, and describe how you address the conflicts of interest. For purposes of this Item, economic benefits include any sales awards or other prizes.**

Municipal Finance Services, Inc. has no information applicable to this Item.

**B. If you or a related person directly or indirectly compensates any person who is not your supervised person for client referrals, describe the arrangement and the compensation.**

Municipal Finance Services, Inc. has no information applicable to this Item.

## ***Custody***

Form ADV Part 2A, Item 15

**If you have custody of client funds or securities and a qualified custodian sends quarterly, or more frequent, account statements directly to your clients, explain that clients will receive account statements from the broker-dealer, bank or other qualified custodian and that clients should carefully review those statements. If your clients also receive account statements from you, your explanation must include a statement urging clients to compare the account statements they receive from the qualified custodian with those they receive from you.**

Municipal Finance Services, Inc. has no information applicable to this Item.

## ***Investment Discretion***

Form ADV Part 2A, Item 16

**If you accept discretionary authority to manage securities accounts on behalf of clients, disclose this fact and describe any limitations clients may (or customarily do) place on this authority. Describe the procedures you follow before you assume this authority (e.g., execution of a power of attorney).**

Municipal Finance Services, Inc. has no information applicable to this Item.

## ***Voting Client Securities***

Form ADV Part 2A, Item 17

**A. If you have, or will accept, authority to vote client securities, briefly describe your voting policies and procedures, including those adopted pursuant to SEC rule 206(4)-6. Describe whether (and, if so, how) your clients can direct your vote in a particular solicitation. Describe how you address conflicts of interest between you and your clients with respect to voting their securities. Describe how clients may obtain information from you about how you voted their securities. Explain to clients that they may obtain a copy of your proxy voting policies and procedures upon request.**

Municipal Finance Services, Inc. has no information applicable to this Item.

**B. If you do not have authority to vote client securities, disclose this fact. Explain whether clients will receive their proxies or other solicitations directly from their custodian or a transfer agent or from you, and discuss whether (and, if so, how) clients can contact you with questions about a particular solicitation.**

Municipal Finance Services, Inc. has no information applicable to this Item.

## ***Financial Information***

Form ADV Part 2A, Item 18

**A. If you require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, include a balance sheet for your most recent fiscal year.**

Municipal Finance Services, Inc. has no information applicable to this Item.

**B. If you have discretionary authority or custody of client funds or securities, or you require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, disclose any financial condition that is reasonably likely to impair your ability to meet contractual commitments to clients.**

Municipal Finance Services, Inc. has no information applicable to this Item.

**C. If you have been the subject of a bankruptcy petition at any time during the past ten years, disclose this fact, the date the petition was first brought, and the current status.**

Municipal Finance Services, Inc. has no information applicable to this Item.

## **Requirements for State-Registered Advisers**

Form ADV Part 2A, Item 19

**A. Identify each of your principal executive officers and management persons, and describe their formal education and business background. If you have supplied this information elsewhere in your Form ADV, you do not need to repeat it in response to this Item.**

See information provided under Advisory Business Section - Item 4.

**B. Describe any business in which you are actively engaged (other than giving investment advice) and the approximate amount of time spent on that business. If you have supplied this information elsewhere in your Form ADV, you do not need to repeat it in response to this Item.**

Municipal Finance Services, Inc. has no information applicable to this Item.

**C. In addition to the description of your fees in response to Item 5 of Part 2A, if you or a supervised person are compensated for advisory services with performance-based fees, explain how these fees will be calculated. Disclose specifically that performance-based compensation may create an incentive for the adviser to recommend an investment that may carry a higher degree of risk to the client.**

Municipal Finance Services, Inc. has no information applicable to this Item.

**D. If you or a management person has been involved in one of the events listed below, disclose all material facts regarding the event.**

**1. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:**

- (a) an investment or an investment-related business or activity;**
- (b) fraud, false statement(s), or omissions;**
- (c) theft, embezzlement, or other wrongful taking of property;**
- (d) bribery, forgery, counterfeiting, or extortion; or**
- (e) dishonest, unfair, or unethical practices.**

Municipal Finance Services, Inc. has no information applicable to this Item.

**2. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:**

- (a) an investment or an investment-related business or activity;**
- (b) fraud, false statement(s), or omissions;**
- (c) theft, embezzlement, or other wrongful taking of property;**
- (d) bribery, forgery, counterfeiting, or extortion; or**
- (e) dishonest, unfair, or unethical practices.**

Municipal Finance Services, Inc. has no information applicable to this Item.

**E. In addition to any relationship or arrangement described in response to Item 10.C. of Part 2A, describe any relationship or arrangement that you or any of your management persons have with any issuer of securities that is not listed in Item 10.C. of Part 2A.**

Municipal Finance Services, Inc. has no information applicable to this Item.

**Rickey Alan Smith**

**MUNICIPAL FINANCE SERVICES, Inc.**

3325 French Park Drive, Suite 8

Edmond, Oklahoma 73034-7265

Phone (405) 340-1727

March 31, 2011

**FORM ADV PART 2B  
BROCHURE SUPPLEMENT**

**This brochure supplement provides information about Rickey Alan Smith that supplements the Municipal Finance Services, Inc. ("MFS") brochure. You should have received a copy of that brochure. Please contact Rick A. Smith, President at 405/340-1727 if you did not receive Municipal Finance Services, Inc.'s brochure or if you have any questions about the contents of this supplement.**

**Additional information about Rickey Alan Smith is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

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### ***Educational Background and Business Experience***

Form ADV Part 2B, Item 2

**Disclose the supervised person's name, age (or year of birth), formal education after high school, and business background (including an identification of the specific positions held) for the preceding five years. If the supervised person has no high school education, no formal education after high school, or no business background, disclose this fact. You may list any professional designations held by the supervised person, but if you do so, you must provide a sufficient explanation of the minimum qualifications required for each designation to allow clients to understand the value of the designation.**

Name: Rickey Alan Smith

*Year of Birth:* 1955

*Formal Education after High School:*

- University of Oklahoma
- Bachelor of Science Degree in Economics, in 1976
- Masters Degree in Economics, in 1978
- 

*Business Background for the Previous Five Years:*

- Municipal Finance Services, Inc., President and Investment Advisor Representative
- March 1990 to present
- 

*Certifications:*

### ***Disciplinary Information***

Form ADV Part 2B, Item 3

**If there are legal or disciplinary events material to a client's or prospective client's evaluation of the supervised person, disclose all material facts regarding those events.**

- A. A criminal or civil action in a domestic, foreign or military court of competent jurisdiction in which the supervised person
1. was convicted of, or pled guilty or nolo contendere ("no contest") to (a) any felony; (b) a misdemeanor that involved investments or an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, or extortion; or (c) a conspiracy to commit any of these offenses;
  2. is the named subject of a pending criminal proceeding that involves an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses;
  3. was found to have been involved in a violation of an investment-related statute or regulation; or
  4. was the subject of any order, judgment, or decree permanently or temporarily enjoining, or otherwise limiting, the supervised person from engaging in any investment-related activity, or from violating any investment-related statute, rule, or order.

**Mr. Smith does not have any information reportable to this section.**

- B. An administrative proceeding before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority in which the supervised person
1. was found to have caused an investment-related business to lose its authorization to do business; or
  2. was found to have been involved in a violation of an investment-related statute or regulation and was the subject of an order by the agency or authority
    - (a) denying, suspending, or revoking the authorization of the supervised person to act in an investment-related business;
    - (b) barring or suspending the supervised person's association with an investment-related business;
    - (c) otherwise significantly limiting the supervised person's investment-related activities; or
    - (d) imposing a civil money penalty of more than \$2,500 on the supervised person.

**Mr. Smith does not have any information reportable to this section.**

- C. A self-regulatory organization (SRO) proceeding in which the supervised person
1. was found to have caused an investment-related business to lose its authorization to do business; or
  2. was found to have been involved in a violation of the SRO's rules and was: (i) barred or suspended from membership or from association with other members, or was expelled from membership; (ii) otherwise significantly limited from investment-related activities; or (iii) fined more than \$2,500.

**Mr. Smith does not have any information reportable to this section.**

- D. Any other proceeding in which a professional attainment, designation, or license of the supervised person was revoked or suspended because of a violation of rules relating to professional conduct. If the supervised person resigned (or otherwise relinquished his attainment, designation, or license) in anticipation of such a proceeding (and the adviser knows, or should have known, of such resignation or relinquishment), disclose the event.

**Mr. Smith does not have any information reportable to this section.**

### ***Other Business Activities***

Form ADV Part 2B, Item 4

- A. If the supervised person is actively engaged in any investment-related business or occupation, including if the supervised person is registered, or has an application pending to register, as a broker-dealer, registered representative of a broker-dealer, futures commission merchant ("FCM"), commodity pool operator ("CPO"), commodity trading advisor ("CTA"), or an associated person of an FCM, CPO, or CTA, disclose this fact and describe the business relationship, if any, between the advisory business and the other business.
- If a relationship between the advisory business and the supervised person's other financial industry activities creates a material conflict of interest with clients, describe the nature of the conflict and generally how you address it.

If the supervised person receives commissions, bonuses or other compensation based on the sale of securities or other investment products, including as a broker-dealer or registered representative, and including distribution or service ("trail") fees from the sale of mutual funds, disclose this fact. If this compensation is not cash, explain what type of compensation the supervised person receives. Explain that this practice gives the supervised person an incentive to recommend investment products based on the compensation received, rather than on the client's needs.

**Mr. Smith does not have any business activities outside of his duties as President and Investment Adviser Representative for Municipal Finance Services, Inc.**

B. If the supervised person is actively engaged in any business or occupation for compensation not discussed in response to Item 4.A, above, and the other business activity or activities provide a substantial source of the supervised person's income or involve a substantial amount of the supervised person's time, disclose this fact and describe the nature of that business. If the other business activities represent less than 10 percent of the supervised person's time and income, you may presume that they are not substantial.

**Mr. Smith does not have any business activities outside of his duties as President and Investment Adviser Representative for Municipal Finance Services, Inc.**

### ***Additional Compensation***

Form ADV Part 2B, Item 5

If someone who is not a client provides an economic benefit to the supervised person for providing advisory services, generally describe the arrangement. For purposes of this Item, economic benefits include sales awards and other prizes, but do not include the supervised person's regular salary. Any bonus that is based, at least in part, on the number or amount of sales, client referrals, or new accounts should be considered an economic benefit, but other regular bonuses should not.

**Mr. Smith does not receive any additional compensation for providing advisory services beyond that received as a result of his capacity as President and Investment Adviser Representative for Municipal Finance Services.**

### ***Supervision***

Form ADV Part 2B, Item 6

Explain how you supervise the supervised person, including how you monitor the advice the supervised person provides to clients. Provide the name, title and telephone number of the person responsible for supervising the supervised person's advisory activities on behalf of your firm.

**Rick Smith, President of the firm sets the guidelines on the advisory services provided to clients. Mr. Smith can be reached at 405-340-1727.**

### **Requirements for State-Registered Advisers**

Form ADV Part 2B, Item 7

A. In addition to the events listed in Item 3 of Part 2B, if the supervised person has been involved in one of the events listed below, disclose all material facts regarding the event.

1. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:

- (a) an investment or an investment-related business or activity;
- (b) fraud, false statement(s), or omissions;
- (c) theft, embezzlement, or other wrongful taking of property;
- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.

2. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:

- (a) an investment or an investment-related business or activity;
- (b) fraud, false statement(s), or omissions;
- (c) theft, embezzlement, or other wrongful taking of property;
- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.

**Mr. Smith has never been the subject of an arbitration claim or any disclosable regulatory, civil or administrative proceeding.**

B. If the supervised person has been the subject of a bankruptcy petition, disclose that fact, the date the petition was first brought, and the current status.

**Mr. Smith has never been the subject of a bankruptcy petition.**

**Jon Gayeland Wolff**

**MUNICIPAL FINANCE SERVICES, Inc.**

3325 French Park Drive, Suite 8

Edmond, Oklahoma 73034-7265

Phone (405) 340-1727

March 31, 2011

**FORM ADV PART 2B  
BROCHURE SUPPLEMENT**

**This brochure supplement provides information about Jon Gayeland Wolff that supplements the Municipal Finance Services, Inc. ("MFS") brochure. You should have received a copy of that brochure. Please contact Rick A. Smith, President at 405/340-1727 if you did not receive Municipal Finance Services, Inc.'s brochure or if you have any questions about the contents of this supplement.**

**Additional information about Jon Gayeland Wolff is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

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### ***Educational Background and Business Experience***

Form ADV Part 2B, Item 2

**Disclose the supervised person's name, age (or year of birth), formal education after high school, and business background (including an identification of the specific positions held) for the preceding five years. If the supervised person has no high school education, no formal education after high school, or no business background, disclose this fact. You may list any professional designations held by the supervised person, but if you do so, you must provide a sufficient explanation of the minimum qualifications required for each designation to allow clients to understand the value of the designation.**

Name: Jon Gayeland Wolff

Year of Birth: 1962

**Formal Education after High School:**

- Central State University (now University of Central Oklahoma),
- Bachelor of Science Degree in Accounting, in 1984
- 

**Business Background for the Previous Five Years:**

- Municipal Finance Services, Inc., Vice President and Investment Advisor Representative
- January 1999 to present
- 

**Certifications:**

- CPA State of Oklahoma
- Minimum Qualifications:
- A bachelor's degree with 150 credit hours of college credit;
- 30 semester hours in accounting above introductory level (minimum of one auditing course);
- 9 upper-division hours in business law, economics, statistics, finance, business management, marketing, business communication, management information systems or computer science;
- Passing all four parts of the Uniform CPA Exam with 75% or higher;

### ***Disciplinary Information***

Form ADV Part 2B, Item 3

**If there are legal or disciplinary events material to a client's or prospective client's evaluation of the supervised person, disclose all material facts regarding those events.**

- A. A criminal or civil action in a domestic, foreign or military court of competent jurisdiction in which the supervised person
1. was convicted of, or pled guilty or nolo contendere ("no contest") to (a) any felony; (b) a misdemeanor that involved investments or an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, or extortion; or (c) a conspiracy to commit any of these offenses;
  2. is the named subject of a pending criminal proceeding that involves an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses;

3. was found to have been involved in a violation of an investment-related statute or regulation; or
4. was the subject of any order, judgment, or decree permanently or temporarily enjoining, or otherwise limiting, the supervised person from engaging in any investment-related activity, or from violating any investment-related statute, rule, or order.

**Mr. Wolff does not have any information reportable to this section.**

- B. An administrative proceeding before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority in which the supervised person
1. was found to have caused an investment-related business to lose its authorization to do business; or
  2. was found to have been involved in a violation of an investment-related statute or regulation and was the subject of an order by the agency or authority
    - (a) denying, suspending, or revoking the authorization of the supervised person to act in an investment-related business;
    - (b) barring or suspending the supervised person's association with an investment-related business;
    - (c) otherwise significantly limiting the supervised person's investment-related activities; or
    - (d) imposing a civil money penalty of more than \$2,500 on the supervised person.

**Mr. Wolff does not have any information reportable to this section.**

- C. A self-regulatory organization (SRO) proceeding in which the supervised person
1. was found to have caused an investment-related business to lose its authorization to do business; or
  2. was found to have been involved in a violation of the SRO's rules and was: (i) barred or suspended from membership or from association with other members, or was expelled from membership; (ii) otherwise significantly limited from investment-related activities; or (iii) fined more than \$2,500.

**Mr. Wolff does not have any information reportable to this section.**

- D. Any other proceeding in which a professional attainment, designation, or license of the supervised person was revoked or suspended because of a violation of rules relating to professional conduct. If the supervised person resigned (or otherwise relinquished his attainment, designation, or license) in anticipation of such a proceeding (and the adviser knows, or should have known, of such resignation or relinquishment), disclose the event.

**Mr. Wolff does not have any information reportable to this section.**

### ***Other Business Activities***

Form ADV Part 2B, Item 4

A. If the supervised person is actively engaged in any investment-related business or occupation, including if the supervised person is registered, or has an application pending to register, as a broker-dealer, registered representative of a broker-dealer, futures commission merchant ("FCM"), commodity pool operator ("CPO"), commodity trading advisor ("CTA"), or an associated person of an FCM, CPO, or CTA, disclose this fact and describe the business relationship, if any, between the advisory business and the other business.

- If a relationship between the advisory business and the supervised person's other financial industry activities creates a material conflict of interest with clients, describe the nature of the conflict and generally how you address it.
- If the supervised person receives commissions, bonuses or other compensation based on the sale of securities or other investment products, including as a broker-dealer or registered representative, and including distribution or service ("trail") fees from the sale of mutual funds, disclose this fact. If this compensation is not cash, explain what type of compensation the supervised person receives. Explain that this practice gives the supervised person an incentive to recommend investment products based on the compensation received, rather than on the client's needs.  
[Click here to enter text.](#)

**Mr. Wolff does not have any business activities outside of his duties as Vice President and Investment Adviser Representative for Municipal Finance Services, Inc.**

B. If the supervised person is actively engaged in any business or occupation for compensation not discussed in response to Item 4.A, above, and the other business activity or activities provide a substantial source of the supervised person's income or involve a substantial amount of the supervised person's time, disclose this fact and describe the nature of that business. If the other business activities represent less than 10 percent of the supervised person's time and income, you may presume that they are not substantial.

**Mr. Wolff does not have any business activities outside of his duties as Vice President and Investment Adviser Representative for Municipal Finance Services, Inc.**

### ***Additional Compensation***

Form ADV Part 2B, Item 5

If someone who is not a client provides an economic benefit to the supervised person for providing advisory services, generally describe the arrangement. For purposes of this Item, economic benefits include sales awards and other prizes, but do not include the supervised person's regular salary. Any bonus that is based, at least in part, on the number or amount of sales, client referrals, or new accounts should be considered an economic benefit, but other regular bonuses should not.

**Mr. Wolff does not receive any additional compensation for providing advisory services beyond that received as a result of his capacity as Vice President and Investment Adviser Representative for Municipal Finance Services.**

### **Supervision**

Form ADV Part 2B, Item 6

Explain how you supervise the supervised person, including how you monitor the advice the supervised person provides to clients. Provide the name, title and telephone number of the person responsible for supervising the supervised person's advisory activities on behalf of your firm.

**Rick Smith, President of the firm is responsible for supervising the advisory activities of Jon Gayeland Wolff. Mr. Smith monitors and sets guidelines on the advisory services provided to clients. Mr. Smith can be reached at 405-340-1727.**

### **Requirements for State-Registered Advisers**

Form ADV Part 2B, Item 7

A. In addition to the events listed in Item 3 of Part 2B, if the supervised person has been involved in one of the events listed below, disclose all material facts regarding the event.

1. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:

- (a) an investment or an investment-related business or activity;
- (b) fraud, false statement(s), or omissions;
- (c) theft, embezzlement, or other wrongful taking of property;
- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.

2. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:

- (a) an investment or an investment-related business or activity;
- (b) fraud, false statement(s), or omissions;
- (c) theft, embezzlement, or other wrongful taking of property;
- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.

**Mr. Wolff has never been the subject of an arbitration claim or any disclosable regulatory, civil or administrative proceeding.**

B. If the supervised person has been the subject of a bankruptcy petition, disclose that fact, the date the petition was first brought, and the current status.

**Mr. Wolff has never been the subject of a bankruptcy petition.**

**Donald Worley Aitken**

**MUNICIPAL FINANCE SERVICES, Inc.**

3325 French Park Drive, Suite 8  
Edmond, Oklahoma 73034-7265  
Phone (405) 340-1727

March 31, 2011

**FORM ADV PART 2B  
BROCHURE SUPPLEMENT**

**This brochure supplement provides information about Donald Worley Aitken that supplements the Municipal Finance Services, Inc. ("MFS") brochure. You should have received a copy of that brochure. Please contact Rick A. Smith, President at 405/340-1727 if you did not receive Municipal Finance Services, Inc.'s brochure or if you have any questions about the contents of this supplement.**

**Additional information about Donald Worley Aitken is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

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### ***Educational Background and Business Experience***

Form ADV Part 2B, Item 2

**Disclose the supervised person's name, age (or year of birth), formal education after high school, and business background (including an identification of the specific positions held) for the preceding five years. If the supervised person has no high school education, no formal education after high school, or no business background, disclose this fact. You may list any professional designations held by the supervised person, but if you do so, you must provide a sufficient explanation of the minimum qualifications required for each designation to allow clients to understand the value of the designation.**

Name: Donald Worley Aitken

Year of Birth: 1979

**Formal Education after High School:**

- Oklahoma State University, Stillwater, Oklahoma
- Bachelor of Science Degree in Business Administration, in 2001
- 

**Business Background for the Previous Five Years:**

- Municipal Finance Services, Inc., Financial Analyst and Investment Advisor Representative
- July 2003 to present

**Certifications:**

- 

### ***Disciplinary Information***

Form ADV Part 2B, Item 3

**If there are legal or disciplinary events material to a client's or prospective client's evaluation of the supervised person, disclose all material facts regarding those events.**

- A. A criminal or civil action in a domestic, foreign or military court of competent jurisdiction in which the supervised person
1. was convicted of, or pled guilty or nolo contendere ("no contest") to (a) any felony; (b) a misdemeanor that involved investments or an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, or extortion; or (c) a conspiracy to commit any of these offenses;
  2. is the named subject of a pending criminal proceeding that involves an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses;
  3. was found to have been involved in a violation of an investment-related statute or regulation; or
  4. was the subject of any order, judgment, or decree permanently or temporarily enjoining, or otherwise limiting, the supervised person from engaging in any investment-related activity, or from violating any investment-related statute, rule, or order.

**Mr. Aitken does not have any information reportable to this section.**

- B. An administrative proceeding before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority in which the supervised person
1. was found to have caused an investment-related business to lose its authorization to do business; or
  2. was found to have been involved in a violation of an investment-related statute or regulation and was the subject of an order by the agency or authority
    - (a) denying, suspending, or revoking the authorization of the supervised person to act in an investment-related business;
    - (b) barring or suspending the supervised person's association with an investment-related business;
    - (c) otherwise significantly limiting the supervised person's investment-related activities; or
    - (d) imposing a civil money penalty of more than \$2,500 on the supervised person.

**Mr. Aitken does not have any information reportable to this section.**

- C. A self-regulatory organization (SRO) proceeding in which the supervised person
1. was found to have caused an investment-related business to lose its authorization to do business; or
  2. was found to have been involved in a violation of the SRO's rules and was: (i) barred or suspended from membership or from association with other members, or was expelled from membership; (ii) otherwise significantly limited from investment-related activities; or (iii) fined more than \$2,500.

**Mr. Aitken does not have any information reportable to this section.**

- D. Any other proceeding in which a professional attainment, designation, or license of the supervised person was revoked or suspended because of a violation of rules relating to professional conduct. If the supervised person resigned (or otherwise relinquished his attainment, designation, or license) in anticipation of such a proceeding (and the adviser knows, or should have known, of such resignation or relinquishment), disclose the event.

**Mr. Aitken does not have any information reportable to this section.**

### ***Other Business Activities***

Form ADV Part 2B, Item 4

- A. If the supervised person is actively engaged in any investment-related business or occupation, including if the supervised person is registered, or has an application pending to register, as a broker-dealer, registered representative of a broker-dealer, futures commission merchant ("FCM"), commodity pool operator ("CPO"), commodity trading advisor ("CTA"), or an associated person of an FCM, CPO, or CTA, disclose this fact and describe the business relationship, if any, between the advisory business and the other business.
- If a relationship between the advisory business and the supervised person's other financial industry activities creates a material conflict of interest with clients, describe the nature of the conflict and generally how you address it.

- If the supervised person receives commissions, bonuses or other compensation based on the sale of securities or other investment products, including as a broker-dealer or registered representative, and including distribution or service ("trail") fees from the sale of mutual funds, disclose this fact. If this compensation is not cash, explain what type of compensation the supervised person receives. Explain that this practice gives the supervised person an incentive to recommend investment products based on the compensation received, rather than on the client's needs.

**Mr. Aitken does not have any business activities outside of his duties as, Investment Adviser Representative for Municipal Finance Services, Inc.**

- B. If the supervised person is actively engaged in any business or occupation for compensation not discussed in response to Item 4.A, above, and the other business activity or activities provide a substantial source of the supervised person's income or involve a substantial amount of the supervised person's time, disclose this fact and describe the nature of that business. If the other business activities represent less than 10 percent of the supervised person's time and income, you may presume that they are not substantial.

**Mr. Aitken does not have any business activities outside of his duties as, Financial Analyst and Investment Adviser Representative for Municipal Finance Services, Inc.**

### ***Additional Compensation***

Form ADV Part 2B, Item 5

If someone who is not a client provides an economic benefit to the supervised person for providing advisory services, generally describe the arrangement. For purposes of this Item, economic benefits include sales awards and other prizes, but do not include the supervised person's regular salary. Any bonus that is based, at least in part, on the number or amount of sales, client referrals, or new accounts should be considered an economic benefit, but other regular bonuses should not.

**Mr. Aitken does not receive any additional compensation for providing advisory services beyond that received as a result of his capacity as Financial Analyst and Investment Adviser Representative of Municipal Finance Services.**

### ***Supervision***

Form ADV Part 2B, Item 6

Explain how you supervise the supervised person, including how you monitor the advice the supervised person provides to clients. Provide the name, title and telephone number of the person responsible for supervising the supervised person's advisory activities on behalf of your firm.

**Rick Smith, President of the firm is responsible for supervising the advisory activities of Donald Worley Aitken. Mr. Smith monitors and sets guidelines on the advisory services provided to clients. Mr. Smith can be reached at 405-340-1727.**

### **Requirements for State-Registered Advisers**

Form ADV Part 2B, Item 7

A. In addition to the events listed in Item 3 of Part 2B, if the supervised person has been involved in one of the events listed below, disclose all material facts regarding the event.

1. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:

- (a) an investment or an investment-related business or activity;
- (b) fraud, false statement(s), or omissions;
- (c) theft, embezzlement, or other wrongful taking of property;
- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.

2. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:

- (a) an investment or an investment-related business or activity;
- (b) fraud, false statement(s), or omissions;
- (c) theft, embezzlement, or other wrongful taking of property;
- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.

**Mr. Aitken has never been the subject of an arbitration claim or any disclosable regulatory, civil or administrative proceeding.**

B. If the supervised person has been the subject of a bankruptcy petition, disclose that fact, the date the petition was first brought, and the current status.

**Mr. Aitken has never been the subject of a bankruptcy petition.**

**Ben Arthur Oglesby**

**MUNICIPAL FINANCE SERVICES, Inc.**

3325 French Park Drive, Suite 8

Edmond, Oklahoma 73034-7265

Phone (405) 340-1727

March 31, 2011

**FORM ADV PART 2B  
BROCHURE SUPPLEMENT**

This brochure supplement provides information about Ben Arthur Oglesby that supplements the Municipal Finance Services, Inc. ("MFS") brochure. You should have received a copy of that brochure. Please contact Rick A. Smith, President at 405/340-1727 if you did not receive Municipal Finance Services, Inc.'s brochure or if you have any questions about the contents of this supplement.

Additional information about Ben Arthur Oglesby is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

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### ***Educational Background and Business Experience***

Form ADV Part 2B, Item 2

**Disclose the supervised person's name, age (or year of birth), formal education after high school, and business background (including an identification of the specific positions held) for the preceding five years. If the supervised person has no high school education, no formal education after high school, or no business background, disclose this fact. You may list any professional designations held by the supervised person, but if you do so, you must provide a sufficient explanation of the minimum qualifications required for each designation to allow clients to understand the value of the designation.**

Name: Ben Arthur Oglesby

*Year of Birth:* 1968

*Formal Education after High School:*

- University of Alabama, Tuscaloosa, Alabama
- Bachelor of Science Degree in Economics, in 1991
- 

*Business Background for the Previous Five Years:*

- Stephens Inc., Oklahoma City, OK., Investment Banker, November 2001 to March 2009
- Municipal Finance Services, Inc., Financial Analyst and Investment Advisor Representative
- April 2009 to present

*Certifications:*

- 

### ***Disciplinary Information***

Form ADV Part 2B, Item 3

**If there are legal or disciplinary events material to a client's or prospective client's evaluation of the supervised person, disclose all material facts regarding those events.**

- A. A criminal or civil action in a domestic, foreign or military court of competent jurisdiction in which the supervised person
1. was convicted of, or pled guilty or nolo contendere ("no contest") to (a) any felony; (b) a misdemeanor that involved investments or an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, or extortion; or (c) a conspiracy to commit any of these offenses;
  2. is the named subject of a pending criminal proceeding that involves an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses;
  3. was found to have been involved in a violation of an investment-related statute or regulation; or
  4. was the subject of any order, judgment, or decree permanently or temporarily enjoining, or otherwise limiting, the supervised person from engaging in any investment-related activity, or from violating any investment-related statute, rule, or order.

**Mr. Oglesby does not have any information reportable to this section.**

- B. An administrative proceeding before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority in which the supervised person
1. was found to have caused an investment-related business to lose its authorization to do business; or
  2. was found to have been involved in a violation of an investment-related statute or regulation and was the subject of an order by the agency or authority
    - (a) denying, suspending, or revoking the authorization of the supervised person to act in an investment-related business;
    - (b) barring or suspending the supervised person's association with an investment-related business;
    - (c) otherwise significantly limiting the supervised person's investment-related activities; or
    - (d) imposing a civil money penalty of more than \$2,500 on the supervised person.

**Mr. Oglesby does not have any information reportable to this section.**

- C. A self-regulatory organization (SRO) proceeding in which the supervised person
1. was found to have caused an investment-related business to lose its authorization to do business; or
  2. was found to have been involved in a violation of the SRO's rules and was: (i) barred or suspended from membership or from association with other members, or was expelled from membership; (ii) otherwise significantly limited from investment-related activities; or (iii) fined more than \$2,500.

**Mr. Oglesby does not have any information reportable to this section.**

- D. Any other proceeding in which a professional attainment, designation, or license of the supervised person was revoked or suspended because of a violation of rules relating to professional conduct. If the supervised person resigned (or otherwise relinquished his attainment, designation, or license) in anticipation of such a proceeding (and the adviser knows, or should have known, of such resignation or relinquishment), disclose the event.

**Mr. Oglesby does not have any information reportable to this section.**

### ***Other Business Activities***

Form ADV Part 2B, Item 4

- A. If the supervised person is actively engaged in any investment-related business or occupation, including if the supervised person is registered, or has an application pending to register, as a broker-dealer, registered representative of a broker-dealer, futures commission merchant ("FCM"), commodity pool operator ("CPO"), commodity trading advisor ("CTA"), or an associated person of an FCM, CPO, or CTA, disclose this fact and describe the business relationship, if any, between the advisory business and the other business.
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- B. If the supervised person is actively engaged in any business or occupation for compensation not discussed in response to Item 4.A, above, and the other business activity or activities provide a substantial source of the supervised person's income or involve a substantial amount of the supervised person's time, disclose this fact and describe the nature of that business. If the other business activities represent less than 10 percent of the supervised person's time and income, you may presume that they are not substantial.

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**Rick Smith, President of the firm is responsible for supervising the advisory activities of Ben Arthur Oglesby. Mr. Smith monitors and sets guidelines on the advisory services provided to clients. Mr. Smith can be reached at 405-340-1727.**

### **Requirements for State-Registered Advisers**

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- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.

2. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:

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**Mr. Oglesby has never been the subject of an arbitration claim or any disclosable regulatory, civil or administrative proceeding.**

B. If the supervised person has been the subject of a bankruptcy petition, disclose that fact, the date the petition was first brought, and the current status.

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