



## Form ADV Part 2 Brochure

### **Ogilvie Security Advisors Corporation**

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April 12, 2012

This brochure provides information about the qualifications and business practices of Ogilvie Security Advisors, Corp. Throughout this brochure, OSA may refer to itself as a “registered investment adviser” or “being registered.” These statements do not in anyway imply a certain level of skill or training. If you have any questions about the contents of this brochure, please contact us at (888) 896 0020. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority.

Additional information about Ogilvie Security Advisors, Corp. also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2 Material Changes**

OSA is required to file an update to this brochure annually. This amended brochure, dated April 12, 2012, is not an annual filing but is instead designed to comply with SEC requirements. No material changes were required to be made or were made to this brochure. The last annual update to this brochure was made September 26, 2011.

Pursuant to SEC rules, OSA will ensure that you receive, on an annual basis, a summary of any material changes to OSA's brochure within 120 days of the close of its fiscal year, which is June 30<sup>th</sup>. OSA may further provide other on-going disclosure information about material changes as necessary or appropriate. OSA will further provide you with a new brochure as necessary based on changes or new information, at any time and without charge.

Additional information about OSA is also available on the SEC's website as noted above. The SEC's website also provides other information about persons affiliated with OSA who are registered, or are required to be registered, as investment advisor representatives of OSA.

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## **Item 4 Advisory Business**

### *About Us - Firm Description and Principal Ownership*

Ogilvie Security Advisors, Corp. (“OSA”) is a SEC-registered investment advisor providing Financial Planning and Investment Portfolio Management to individuals and businesses. OSA works closely with clients’ other advisors to develop, implement, and monitor investment and wealth management programs. OSA is an Illinois corporation that has been an SEC registered Investment Advisory firm since 1993. OSA was started by a group of experienced financial professionals. OSA is dually registered as both a Securities Broker-Dealer and as a Securities Investment Advisor

Ogilvie Security Advisors, Corp. (OSA) has two principal owners, each of whom own at least 10% of the firm. The principal owners are Donald Richard Ogilvie, Vice President, CRD No. 702152 and Debra Hoag, President, CRD No. 1203880.

Our principal owners of the firm and their resumes and business backgrounds are as follows:

Donald Richard Ogilvie  
Vice President

Born: 1946  
September 1, 2003 to present

#### EDUCATION:

Graduated from Northwestern University in 1969 with a BS/BA in Accounting.

#### EMPLOYMENT HISTORY:

President and Secretary of Ogilvie Security Advisors Corp. from 06/95-09/03  
President of Ogilvie and Taylor Securities Corporation from 06/81 to 06/95  
President of Ogilvie Financial Corporation from 06/81 to present  
President of Ogilvie & Taylor Financial Corporation from 06/81 to 06/95

Debra A. Hoag  
President

Born: 1961  
September 1, 2003 to present

#### EDUCATION:

Graduated from Northwestern University in 1982 with a BA in Sociology.

#### EMPLOYMENT HISTORY:

Vice President, Treasurer and Registered Representative of Ogilvie Security Advisors Corp, 08/00 to 09/03.  
President of Gentry Partners, LTD, from 07/00 to Present  
Brokerage Manager of Signator Investors, Inc. from 07/87 to 07/00  
General Agent of John Hancock Mutual Life Insurance Company from 07/87 to 07/00

## *Services Offered*

### Direct Investment Advisory Services, Including Financial Planning

OSA provides financial planning services and portfolio management for individuals and/or small businesses. Our services include the management of investment advisory accounts, investment supervisory services, and financial consulting services.

Direct investment advisory services are provided for accounts managed by OSA, with assets held in custody at Pershing LLC. Ogilvie Security Advisors and the investment advisory representative who recommends programs receive compensation as a result of a client's participation in the program. The compensation earned by Ogilvie Security Advisors with respect to those programs may vary depending on the program. Therefore, Ogilvie Security Advisors and/or the investment advisory representative may have a financial incentive to recommend a program that provides greater compensation to Ogilvie Security Advisors and/or the representative over other programs, investment products, and services.

OSA provides comprehensive financial planning and consulting services, including, but not limited to, preparing, designing and implementing financial plans for individuals and/or business owners interested in the documentation of their current financial status and solutions to financial goals and objectives. Implementation of plan recommendations is entirely at the client's discretion. Plan recommendations are developed using data collected from the client.

The types of financial planning services offered include:

- Retirement analysis and income forecast,
- Insurance and investment analysis,
- Probate avoidance and wealth preservation,
- Tax reduction strategies and/or projections,
- College cost projections and funding alternatives,
- Cash flow monitoring, and
- Divorce planning

OSA tailors all services to the individual investment needs of its client by determining each client's specific goals, objectives, risk tolerance, time horizon, investment restrictions, and other facts that might affect the client's investment needs.

### Directly Managed Accounts -- Client Imposed Restrictions

Each client has the ability to impose reasonable restrictions on the management of the client's account, including the designation of particular securities or types of securities

that should not be purchased for the account, or that should be sold if held in the account. If the client's instructions are unreasonable or OSA believes the instructions are inappropriate for the client, we will notify the client that, unless the instructions are modified, OSA may cancel the client's accounts. A client will not be able to provide instructions that prohibit or restrict the investment advisor of an open-end or closed-end mutual fund or exchange-traded funds, with respect to the purchase or sale of specific securities or types of securities within the mutual fund. Account restrictions need to be made in writing by the client and provided to the investment advisor representative.

#### Indirect Investment Advisory Services -- Portfolio Management

In addition to the programs managed through OSA, other programs offered by investment advisory representatives of OSA are sponsored and managed by various outside, unaffiliated, third party registered investment advisory firms. The client works with the clients' OSA investment advisory representative to choose investment objectives and appropriate outside investment managers, setting restrictions or limitations on the management of the account, explaining portfolio strategies and transactions, performing ongoing portfolio monitoring, and answering client questions regarding the account. Clients will sign an individual advisory agreement with the unaffiliated, third party investment advisory firm for the management of these investment advisory account(s).

OSA reviews the performance of third party advisory firms on at least a yearly basis prior to introducing clients to the nonaffiliated investment advisory firms.

Each of these unaffiliated programs will provide a copy of their disclosure documents (ADV part II brochure) which will further describe the program, account minimums, fees and risks.

Clients should be aware that by engaging in the above, they will incur a direct investment advisory management fee to these unaffiliated, third party registered investment advisory firms. These unaffiliated investment advisory firms will in most cases forward to OSA an ongoing referral fee.

#### Indirectly Managed Accounts – Client Imposed Restrictions

Each client may have the ability to impose reasonable restrictions on the management of the client's account. Account restrictions need to be made in writing by the client and provided to the investment advisor representative.

For accounts that are indirectly managed, the clients' ability to make restrictions may be limited by an agreement that the client has with a third party money managers. Clients should consult the ADV Form part II brochure of their other unaffiliated, third party investment advisory firms. OSA and/or our investment advisory representative are available to assist clients.

If the client's instructions are unreasonable or OSA and/or the unaffiliated, third party registered investment advisory firm believes the instructions are inappropriate for the client, we will notify the client that, unless the instructions are modified, OSA and/or the unaffiliated, third party registered investment advisory firm may cancel the client's accounts. A client will not be able to provide instructions that prohibit or restrict the investment advisor of an open-end or closed-end mutual fund or exchange-traded funds, with respect to the purchase or sale of specific securities or types of securities within the mutual fund.

OSA does not itself sponsor wrap fee programs nor does it act as a portfolio manager for wrap fee programs. However, OSA's involvement in wrap fee programs is limited solely to potentially recommending wrap fee programs to our clients through an unaffiliated third party investment advisory firm.

OSA provides direct management services for client's funds. As of April 12, 2012, the total amount of assets under OSA's direct management is \$2,341,648. Of that total, \$582,436 is managed in discretionary accounts, and \$1,759,212 is managed in non-discretionary accounts.

OSA Investment Advisory Representatives have assisted in placing a much large dollar amount in unaffiliated, third party registered investment advisory firms' programs.

## **Item 5 Fees and Compensation**

Depending on the services provided, OSA will charge an asset-based, fixed fee, or hourly fee. OSA also may charge referral fees. For many but not all clients, OSA will deduct its fees directly from clients' accounts pursuant to management agreement signed by the client. If OSA does not deduct its fees directly from a client's account, OSA will bill the client separately. The billing period depends both on the type of service and the arrangements an individual client has made with OSA.

OSA does not have a set fee schedule. Fees are entirely negotiable. All fees are fully disclosed, bargained for, and agreed upon in the written investment management agreement that is effective only with the client's signature and with the signature of a principal of OSA. Generally, fees and expenses are deducted directly from client accounts as agreed to in the investment management agreement. However, clients may request to be billed rather than having the fees deducted from their accounts.

OSA's fees are exclusive of, and in addition to, charges imposed by custodians, brokers, third-party investment managers, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. In addition, mutual funds and exchange-traded funds charge internal management fees, which the funds disclose in their prospectuses. OSA's brokerage practices are described in Item 12 of this brochure.

### **OSA Financial Planning Services**

For Ogilvie Financial Planning Services, fees can be either a maximum hourly fee of \$300.00 per hour or a maximum flat fee not to exceed \$18,000.00. Fees are negotiable, bargained for, and agreed upon in the written financial planning agreement that becomes effective only with a client's signature and with the signature of a principal of OSA. Fees are incurred as determined by the primary OSA investment advisory representative and the client on a one time or periodic basis. Fees may also vary depending on the nature of the services. The types of services may vary in complexity between basis comprehensive planning service, maintenance comprehensive planning service and portfolio monitoring.

Compensation may be received by OSA after services are rendered. Fees paid in advance will be refunded to the client prorated to the number of days in the quarter or other billing period in which the client received the services. The contract may be terminated by either party upon 30 days written notice. The client may receive a refund of any unearned fees. Thereafter, fees are refunded to the client prorated to the amount of days in the quarter or other billing period in which the client received OSA's services. A full refund will be provided without penalty if the client terminates the contract, in writing, within five (5) days of the contract being executed.



### Direct Managed Account of OSA -- Portfolio Management

For direct management services, clients agree to pay an ongoing advisor fee to Ogilvie Security Advisors, Corp. The advisory fee is payable quarterly, in arrears. The maximum annual fees charged to the client for this service is up to 3.0% of the assets under management. Asset values are determined by the custodian(s) or third party money manager as of the close of business on the last day of the quarter. Advisory fees for the initial quarter will be adjusted on a pro-rated basis based upon the number of calendar days during the quarter in which the agreement commenced. This fee may be higher than normally charged in the industry, and other investment advisory firms may provide the same or similar services at lower rates.

However, fees are negotiable, bargained for, and agreed upon in the written OSA investment portfolio management agreement that becomes effective only with a client's signature and with the signature of a principal of OSA.

Should the client grant OSA authority to receive payments directly from the client's account, the client shall grant limited authorization to OSA to withdraw the contractually agreed upon fees from the account. OSA will notify the client, in writing, prior to the proposed date of withdrawal of the exact amount of the proposed withdrawal and the specific manner and basis on which the fee is calculated. The brokerage firm or custodian of the account is advised in writing of the limitation on OSA's access to the account.

Compensation are usually received by OSA after services are rendered. The contract may be terminated by either party upon 30 days written notice. The client may receive a refund of any unearned fees, if any. A full refund will be provided without penalty if the client terminates the contract, in writing, within five (5) days of the contract being executed.

### Referral Fees from Third Party Money Managers

OSA will, generally, receive between 0.2% to 1.5% for referring clients to a third party depending on the roles and responsibilities of OSA. Compensation to OSA will be in the form of a percentage of the fee charged to the client by the non-affiliated investment advisor for its services. The maximum fee generally received by OSA will be 80% of the non-affiliated investment advisor's fee. These fees will usually be calculated as a percentage of assets under management. However, fee payments and refund policies will vary depending upon the non-affiliated investment advisor's fee schedule and terms.

A contract will be signed by the client and the third party. All reports are provided and generated by the third party. Cancellation of contract is between the third party and the client. The third party will bill the client directly for the fee which is based on assets under management.

OSA will determine that any non-affiliated, third party investment advisor firm, with which OSA contracts, is properly registered in those states where investment advice or securities are provided to residents of that state. A client or OSA may terminate and investment advisory contract before its expiration date according to the terms of the contract(s) signed by the client, the third party, and OSA. Compensation arrangements and termination provisions will also be disclosed in the non-affiliated advisor's disclosure brochure and/or OSA's disclosure brochure.

### *OSA's Dual Role as Broker-Dealer and Investment Advisor*

#### Potential Conflict of Interest Disclosure

Investment Advisor Representatives (IARs) also can be Registered Representatives of the affiliated OSA broker/dealer. OSA is a FINRA member firm that also offers securities on a commission basis. By being dually registered as both a Broker-Dealer and as an Investment Advisor, conflicts of interest can arise between the interests of OSA and its investment advisory representatives and the interest of the clients. The representative may have an incentive to recommend products based on the compensation received, rather than client's needs. The client is under no obligation to act on OSA's recommendation. If the client elects to act on any of the recommendations, the client is under no obligation to effect the transactions through an associated person of OSA when such person is employed as an agent with OSA. We discuss further how we address potential conflicts of interest when they arise in Item 11 of this brochure. When OSA recommends a mutual fund, the recommended mutual fund may or may not be a "no-load" mutual fund.

All clients have the option to purchase investment products that OSA recommends while providing financial planning services through other brokers or agents not affiliated with OSA. OSA does not reduce its investment advisory fees to offset any commissions it receives as a brokerage.

#### Additional Fees

Clients may incur additional fees and expenses. Moreover, OSA may act as both an Investment Advisory Firm and as a Securities Broker-Dealer. In such circumstances, an OSA representative may receive a commission on the sale of a product and also charge a management fee as payment for the separate services rendered. Generally, OSA does not reduce advisory fees to offset the commissions, but a reduction can be negotiated. Additionally, the company sponsoring the investment vehicle -- for instance, a mutual fund or an annuity -- or, if applicable, a third party intermediary might charge fees and expenses in addition to those charged by OSA and its representative. Additional information regarding this compensation can be found in those products' prospectuses. The investor should carefully review those documents prior to investing.

The principal executive officers and investment advisory representatives of OSA may, from time to time, receive an annual marketing or distribution fee from an investment company that runs a mutual fund (12b-1 distribution fees) in connection with the placement of client funds into investment companies.

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

OSA does not offer performance-based fees or pricing. OSA does not share in performance-based fees or pricing.

### **Item 7 Types of Clients**

Most investment advisory services supplied by OSA are provided to high net worth individuals. OSA also provides investment advisory services to individuals other than high net worth individuals, to pension and profit sharing plans, and to corporations and other businesses.

OSA does not have any requirements relating to a minimum size necessary to open or maintain an account. The decision of whether to open an OSA account is at the discretion of the client, Ogilvie Security Advisors Corp. (OSA), and OSA's Investment Advisory Representative(s).

Clients may contract with third party money managers who may have their own minimums. Clients are urged to consult the unaffiliated, third party registered investment advisor firm's materials, including, but not limited to, the firm's ADV part II and its investment management agreement.

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

All investment strategies involve risk. There is no assurance that a positive return will be obtained in any managed investment account program. Neither OSA investment advisory representatives nor portfolio managers guarantee the performance of the account, or promise any specific level of performance, or promise that investment decisions, strategies, or overall management of the account will be successful. Any investment decisions portfolio managers may make for clients are subject to various market, currency, economic, political, interest rate and business risks, will not necessarily be profitable, and are subject to investment risk, including possible loss of principal.

We may use charting, fundamental, technical, and cyclical analysis in evaluating client accounts. One of the reasons that we utilize more than one type of analysis is to reduce risks induced by utilizing only one type of analysis. We may also reduce risk by purchasing the securities of foreign issuers in addition to purchasing the securities of domestic issuers.

Ogilvie Security Advisors, Corp. (OSA) uses many sources of information in formulating investment advice. These sources include but are not limited to: financial newspapers and magazines, research materials prepared by third parties, corporate rating services, annual reports, prospectuses, filings with the Securities and Exchange Commission (SEC), and Company press releases.

OSA may recommend one or more of several investment strategies depending on the circumstances and the objectives of the individual client. Some of the investment strategies that OSA may recommend to implement any investment advice given to clients include:

- Recommendations to make long term purchases that are to be held for at least a year,
- Recommendations to make shorter term purchases of securities that are to be held for less than one year,
- Recommendations to trade securities bought and sold within thirty days,
- Recommendations to make short sales, and
- Recommendations to make margin transactions.

OSA uses the above strategies in combination and according to the needs of the individual client. None of the above listed strategies can be considered our “primary strategy.” Clients should be aware that frequent trading can affect investment performance. As opposed to longer term investment strategies, an investment strategy of trading frequently may give rise to increased brokerage fees, increased transaction costs, and may create a higher federal and state tax liability.

The portfolios of OSA clients may contain one or a few types of security or may contain a combination of many different types of securities. The types of investments OSA may recommend, include, but are not limited to: exchange-listed equity securities, over-the-counter equity securities, foreign equity securities, corporate bonds, certificates of deposit, municipal securities, variable life insurance, variable annuities, mutual fund shares, and United States government securities.

While OSA does not primarily recommend a particular type of securities, mutual fund securities and equity securities are among the largest categories of security that OSA recommends. A few types of investment risk have been highlighted below. This list exists to help clients and is not meant to be complete. Clients will face many other types of risk when investing in these and other types of securities.

*Risks of Equity/Bonds for Individual Securities and for Mutual Fund Securities*

Investing in individual company stocks and bonds involves exposure to the same types of risk as with other investments in securities. As an alternative to ownership of separate equity shares or corporate bonds, mutual funds spread the client's investment among equity issuers according to the strategy of a professional outside money manager. Many risks are associated with ownership of equity shares or corporate bonds.

- **Financial Difficulty Risks.** The equity or bond issuer may default (may be unable to pay the principal and/or interest, to pay dividends, or otherwise fulfill its obligations to you, the investor) and/or may need to file for bankruptcy. The possible loss includes the potential loss of your entire investment.
- **Diversification Risks.** Sometimes it may be tempting to believe that you, the investor, have found the next Microsoft or Google. However, the urge to put all of your money in one or a small number of companies should be avoided. Diversifying one's investments can greatly reduce the risks of investing at the expense of slightly reducing the return on one's investment.
- **Management Risks.** Although most managers are honest and competent, investors risk that the management of the individual company may be either dishonest or incompetent. In either case, the company and its stock may suffer poor performance as a result.
- **Liquidity Risks.** For stocks not listed on an exchange or for some bonds, investors must ensure that enough liquidity exists for there to be a market in the stock or bond. If the market for that stock or bond does not exist, investors risk that they will not be able to find a buyer should they wish to sell in the future.
- **Industry Risks.** Every industry has some periods that are better for the industry than are other periods. Additionally, some industries become outmoded altogether by newer technologies.
- **Economic Risks.** The state of the nation's or the world's economy may change drastically and that may well affect your investments.

- **Market Risks.** In making an investment you are usually betting that the market will behave in a way that will be to your advantage. Often, the market behaves in the opposite way over a short period of time and/or a longer period of time.
- **Political Risks.** Politics might prevent a company from reaching its full potential. For international investors, political risks may take the form of governmental instability. Alternatively, political risk might exist in any country due to the risk that the country might change its laws, making a company's business more expensive or even illegal to run.
- **Inflation Risks.** The value of the securities may erode if the value of the dollar decreases over time.
- **Foreign Exchange Risks.** If you invest in a mutual fund that purchases the securities of foreign issuer, increases in value may be decreased or erased by a change in the exchange rate between the currency of the underlying security and the U.S. dollar. Similarly, a gain may be turned into a loss or a loss may be enlarged by a change in the exchange rate between the two currencies.
- **Cost of Doing Business Risk.** If you invest in companies that are not listed on a securities exchange and instead trade over-the-counter, you risk that you won't easily be able to sell your shares for a fair price. Instead, you, as an investor, may have to sell the stock to a broker for significantly less than the price at which the stock is listed for sale, producing a large "spread." With a large "spread," the broker makes a significant profit. This risk also is present for investors who are invested in foreign exchange-listed firms in "emerging" countries.

## **Item 9 Disciplinary Information**

As a registered investment advisor, Ogilvie Security Advisors, Corp. is required to disclose all material facts regarding any legal or disciplinary events that would be material to a client's evaluation of OSA and its management. There are no such facts or events to disclose.

Additional information about Ogilvie Security Advisors, Corp. can be found on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for OSA is 10105.

## **Item 10 Other Financial Industry Activities and Affiliations**

Ogilvie Security Advisors, Corp. (OSA) is also in the business of a general securities broker/dealer registered with the Securities and Exchange Commission (SEC), Financial Industry Regulatory Authority (FINRA) and various state regulatory agencies. In this capacity, OSA is involved in the sale of various types of securities, including, but not limited to stocks, bonds, and mutual funds.

Both principal owners and all of our investment advisory representatives are also registered broker-dealer representatives. Associated persons of OSA spend approximately 95% of their time selling securities and managing securities and insurance business and 5% of their time providing investment advice.

OSA is also registered with the Municipal Securities Rulemaking Board (MSRB).

### *OSA affiliate -- Gentry Partners*

Gentry Partners, Ltd. (GP) is a company affiliated with Ogilvie Security Advisors, Corp. GP is a boutique fixed life insurance brokerage that assists individuals, particularly high net worth individuals, in the procurement of life insurance policies. GP is strictly a brokerage. It does not underwrite any life insurance policies nor does it create and market policies under its own name.

Additionally, the principal executive officers and some investment advisory representatives of OSA, in their individual capacities, are insurance agents for various insurance companies, and are able to purchase insurance products for advisory clients. However, the potential for conflicts of interest arising is lessened by the separate nature of the insurance sales and from the investment advisory services. No client becomes obligated to buy life insurance or any other insurance product by agreeing to OSA providing investment advisory services. No insurance client becomes obligated to buy investment advisory services by agreeing to buy insurance. The cost of purchasing

securities products or life insurance is no different if the client buys both than for other clients.

OSA clients are not under any obligation to engage these individuals when considering implementation of advisory recommendations. The implementation of any or all recommendations is solely at the discretion of the client.

While these individuals endeavor at all times to put the interests of the clients first as part of OSA's fiduciary duty, clients should be aware that the receipt of compensation itself creates a conflict of interest, and may affect the judgment of these individuals when making recommendations.

The advisory services of unaffiliated, third party registered investment advisory firms will be recommended to clients of OSA when appropriate to the needs of the advisory client or when such services as an advisory service not offered by OSA.

Neither Ogilvie Security Advisors Corporation nor our management personnel have any other relationships or arrangements that are material to our advisory business or to our clients' decisions to do business with OSA.



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

### *Code of Ethics*

OSA has adopted a Code of Ethics that sets forth the standards of conduct expected of its associated persons and requires compliance with applicable securities laws. All supervised persons at OSA must acknowledge the terms of the Code of Ethics annually, or when it is amended. In accordance with Section 204A-1 of the Advisers Act, the Code of Ethics includes provisions relating to guidelines for professional standards, a prohibition on insider trading, and personal securities trading procedures. Clients or prospective clients may obtain a copy of the OSA Code of Ethics by contacting Gregg Powell at (312) 201-8295 or gpowell@osa1.com. Alternatively, you can send us your request in writing to:

Ogilvie Security Advisors Corp.  
71 S. Wacker Drive, Suite 3025  
Chicago, IL 60606  
Attn: Compliance Department

Also, clients can obtain a copy of OSA's Code of Ethics by contacting their OSA Investment Advisory Representatives directly.

### *Participation or Interest in Client Transactions*

OSA does not recommend to clients, or buy or sell for client accounts securities that it itself owns or in which it has a material financial interest. OSA's affiliates have similar prohibitions. OSA does not recommend purchase of securities to advisory clients for which OSA or its affiliates serves as an underwriter, general or managing partner, or purchaser representative.

Depending on client needs, OSA may act as a Broker-Dealer and/or Investment Advisor. When selling securities, OSA does not create transactions in which both the buyer and the seller are OSA clients. This prohibited transaction also known as an "agency cross transaction."

### *Personal Trading – Potentially Recommending to Clients Stocks that OSA or Its Affiliates Also Own in Personal Accounts*

Under some circumstances, OSA anticipates that it may recommend, in appropriate circumstances and consistent with clients' investment objectives, the purchase or sale of securities in which it, or an affiliate (including individual employees) have a position.

OSA, its investment advisory representatives, and persons associated with OSA are required to follow OSA's Code of Ethics in these circumstances. The Code of Ethics is designed to prevent the personal securities transactions, activities, and interests of OSA's investment advisory representatives from harming the interest of OSA's clients. Accordingly, the Code of Ethics instructs associated persons to immediately report any actual, potential, or apparent conflict of interest and to follow the instructions of OSA's Compliance Department regarding how to proceed.

Here are some of the restrictions that OSA has established in order to ensure its fiduciary responsibilities:

- An officer or employee of OSA shall not buy or sell securities for their personal portfolios(s) where their decision is substantially derived, in whole or in part, by reason of his or her employment unless the information is also available to the investing public on reasonable inquiry. No person of OSA shall prefer his or her own interest to that of an advisory client.
- All clients are fully informed that certain individuals may receive separate compensation when effecting transaction during the implementation process.
- OSA emphasizes the unrestricted right of the client to decline to implement any advice rendered, except where and to the extent that the client has granted discretionary authority to OSA of the client's account.
- OSA emphasizes the unrestricted right of the client to select and choose any broker or dealer (where and to the extent that the client has granted discretionary authority to OSA), and/or insurance company (s)he wishes.
- OSA requires that all individuals must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
- Any individual employee not in observance of the above may be subject to termination.

*Personal Trading – Potentially Buying and Selling Stocks at Similar Times as Clients*

OSA anticipates that itself or its affiliates, including individual investment advisory representatives, may potentially buy or sell stock positions at times similar to when it recommends to client to buy or sell positions in the stocks.

Personal transactions in securities by Associated Persons must be accomplished so as to avoid even the appearance of a conflict of interest on the part of such personnel with the interests of OSA's clients. Likewise, Associated Persons must avoid actions or activities that allow (or appear to allow) a person to profit or benefit from his or her position with the Company at the expense of clients, or that otherwise bring into question the person's independence or judgment.

It is the expressed policy of OSA that no person employed by OSA may purchase or sell any security prior to a transaction(s) being implemented for an advisory account, and therefore, preventing such investment advisory representatives from benefitting from transactions placed on behalf of advisory accounts. For individual securities such as stocks and bonds, client orders are placed first or block traded where an average price is used.

## **Item 12 Brokerage Practices**

As OSA does not have the discretionary authority to determine the broker-dealer to be used or their commission rates, clients must direct OSA as to the broker dealer to be used.

OSA will not have authority to negotiate commissions to obtain volume discounts, and best execution may not be achieved. In addition, a disparity in commission charges may exist between the commissions charged to the other clients.

### *Factors in Selecting or Recommending a Broker-Dealer or Money Manager*

#### Direct Investment Advisory Services, Including Financial Planning

For clients in need of brokerage or custodial services, and depending on client circumstances and needs, OSA may recommend the use of one of several broker dealers (including, but not limited to OSA), provided that such recommendation is consistent with OSA's fiduciary duty to the client. OSA clients must evaluate these brokers before opening an account. The factors considered by OSA when making this recommendation are the broker's ability to provide quality execution services and costs of such services, among other factors. Clients are not under any obligation to place trades through any recommended broker.

Clients should refer to the disclosure document(s) of recommended unaffiliated, third party investment advisory firms for information on the brokerage recommendations of those entities. Recommended unaffiliated investment advisory firms may place trades with the associated persons of OSA, in their separate capacity as registered representatives of OSA.

#### Indirect Investment Advisory Services -- Portfolio Management

Assets will not be kept by Adviser. Assets will either be kept with custodians selected by Client and/or third party manager(s). Additionally, some assets may be kept in one or more separate brokerage accounts recommended by Adviser. The factors considered by OSA when making this recommendation are the broker's ability to provide quality of execution services and costs of such services, among other factors. Clients should refer to the disclosure document(s) of unaffiliated, third party registered investment advisory firms for information on the brokerage recommendations of those entities.

### *OSA as Both an Investment Advisor and Broker-Dealer*

The principal executive officers and other associated persons of OSA are separately registered as representatives of OSA as a broker dealer and FINRA member firm. OSA

is required to supervise the securities trading activities of its representatives. Clients may request that brokerage transactions be directed to a particular broker or dealer. However, if OSA believes that the use of that broker dealer would hinder OSA in meeting its supervisory obligations, OSA will not be able to accept the account.

#### *Research and Other Soft Dollar Benefits*

OSA does not receive research or other products or services other than execution from a broker-dealer or a third party in connection with client securities transactions, so-called soft dollar benefits.

## **Item 13 Review of Accounts**

### *Frequency and Nature of Reviews*

Ogilvie Security Advisors, Corp. (OSA) investment advisory representatives review accounts on an ongoing basis. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. Investment advisory representatives also may conduct more thorough reviews annually or quarterly, depending on the program. OSA supervisory personnel conduct reviews to evaluate consistency of performance compared to the client's investment objectives. The Compliance Department additionally conducts reviews through an annual internal audit program.

More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political, or economic environment.

### *Reports Provided to Clients*

Clients receive a monthly activity summary statement from the custodian, confirmation of all transactions as they occur, and a year-end tax summary. All reports are provided in writing. Additional reports may be provided depending on the program and at the request of the client. All account statements are sent to the client directly from the custodian.

## **Item 14 Client Referrals and Other Compensation**

### *Compensation from Other Parties*

In addition to our own advisory programs and services, Ogilvie Security Advisors, Corp. (OSA) also acts as a solicitor for other unaffiliated, third party registered investment advisory firms when appropriate. OSA receives a portion of investment advisory fees paid by a client to those unaffiliated investment advisory firms. Terms of referral fee arrangements are disclosed in a solicitor's disclosure statement provided to each client in advance. The solicitation fee is frequently, though does not have to be, a percentage of referred assets under management by the company that pays the solicitation fee. Additionally, OSA and/or its principal executive officers may potentially, from time to time, receive incentive awards for the recommendation or introduction of insurance products. Finally, the principal executive officers and investment advisory representatives of OSA may, from time to time, receive an annual marketing or distribution fee from an investment company that runs a mutual fund (12b-1 distribution fees) in connection with the placement of client funds into investment companies.

OSA is aware of the special considerations promulgated under Section 206(4)-3 of the Investment Advisors Act of 1940. As such, appropriate disclosure shall be made and all applicable Federal and State laws will be observed.

Clients should be aware that the receipt of additional compensation itself creates a conflict of interest and may affect the judgment of these individuals when making recommendations. OSA has created a detailed policy regarding the fiduciary duty of OSA Investment Advisory Representatives (IAR). The policy is incorporated into OSA's Investment Advisory Compliance Manual. Investment Advisory Representatives (IAR) are required to read this manual at hiring and when it is revised. Additionally, client accounts undergo ongoing review as described under Item 13 of this brochure.

#### *Compensation Payments to Other Parties*

Neither OSA nor a related person directly or indirectly compensates any person other than our own supervised persons for client referrals.

### **Item 15 Custody**

OSA does not have custody of client assets and uses independent third party custodians to hold all clients securities and assets. The third party custodians include Pershing LLC. Clients receive monthly or quarterly statements, as well as trade confirmations, directly from the custodian. Clients should carefully review those statements. The custodian used will vary depending on the program. Clients do not receive statements from directly from OSA.

### **Item 16 Investment Discretion**

Ogilvie Security Advisors, Corp. may accept discretionary authority in certain instances to manage securities accounts on behalf of clients, including granting OSA the ability to determine the securities to be bought or sold and to determine the amount of securities to be bought or sold. OSA will not have discretion as to what broker or dealer to use or of what commission rates to pay to the broker or dealer to execute the clients' transactions.

Before assuming this responsibility, the client must sign a discretionary account agreement granting OSA or the IAR trading authority on their account. Restrictions to the discretionary agreement may be made by the client prior to opening or at any time after the account is established. Any restrictions made on the account must be submitted in writing and signed by the client. Restrictions may be placed by the client to prohibit certain investments from being made. For example, a client may not want investments in certain geographical regions or with companies involved with certain activities.

### **Item 17 Voting Client Securities**

Clients retain the right to vote any securities directly managed in OSA accounts. Ogilvie Security Advisors, Corp. does not have the authority to vote client securities. Generally,

clients will receive their proxies or other solicitations directly from the custodian or transfer agent that holds the securities in client accounts on behalf of OSA.

If OSA does receive proxies or other solicitations, OSA will forward to clients all proxies, prospectuses, annual, and semiannual reports or other similar received materials issued by the issuer of each mutual fund security or other investment held in the OSA account. All securities, when registered, may be in the name of any nominee or nominees.

OSA Investment Advisory Representatives may offer educational guidance on the various issues subject to voting but will not recommend a certain vote or offer to vote on behalf of the client.

Clients should consult the ADV Form part II brochure of their other unaffiliated, third party investment advisory firms.

### **Item 18 Financial Information**

Ogilvie Security Advisors, Corp. (OSA) has not attached a balance sheet for its most recent fiscal year because it does not have custody of client funds or securities. Under our direct investment management agreement, OSA does not require prepayment of more than \$1200 per client or prepayment six or more months in advance.

Furthermore, there are no financial conditions that are reasonably likely to impair OSA's ability to meet any of its contractual commitments to its clients. OSA as a regulated FINRA Broker-Dealer does employ an independent public accounting firm to annually audit its financial books and records.



## **Item 19 Other Information**

### *Business Continuity Plan*

Our firm's policy is to respond to a Significant Business Disruption (SBD) by safeguarding employees' lives and firm property, making a financial and operational assessment quickly recovering and resuming operations, protecting all of the firm's books and records, and allowing our customers to transact business. For a copy of OSA's Business Continuity Plan Summary Disclosure Statement, please call (888) 896 0020. It is also available on OSA's website: <http://www.ogilviesecurity.com>.

### *Privacy Policy Statement*

Ogilvie Security Advisors Corp.'s primary client goal is to protect your privacy.

To conduct regular business, we may collect nonpublic personal information from sources such as:

Information reported by you on applications or other forms you provide to us.

As Ogilvie Security Advisors Corp. shares nonpublic information solely to service our client accounts, we do not disclose any nonpublic personal information about our customers or former customers to anyone, except as permitted by law.

To provide the utmost in service, we may disclose the information below regarding customers and/or former customers, as necessary, to companies to perform certain services on our behalf or to other financial institutions with whom we have joint marketing agreements, or as required by law.

Information Ogilvie Security Advisors Corp. receives from clients on applications (name, address, social security number, medical information, assets, etc.)

At times, we may disclose nonpublic personal information to affiliated third parties. We may share any of the information that we collect as described above. We may disclose nonpublic personal information about you to the following types of affiliated third parties:

Financial Services providers such as investment companies, money managers, and insurance companies.

### Information Safeguarding

Ogilvie Security Advisors Corp. will internally safeguard your nonpublic personal information by restricting access to only those employees who provide products or services to you or those who need access to your information to service your account. In addition, we will maintain physical, electronic, and procedural safeguards that meet federal and/or state standards to guard your nonpublic personal information.