

## **Form ADV Part 2A**

### **Oak Ridge Investments, LLC**

#### **Item 1      Cover Page**

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This brochure provides information about the qualifications and business practices of Oak Ridge Investments, LLC. If you have any questions about the contents of this brochure, please contact us at 312-857-1040. 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 Oak Ridge Investments, LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Oak Ridge Investments, LLC is an investment adviser registered with the SEC. This registration does not imply a certain level of skill or training.

March 28, 2012

## **Item 2      Material Changes**

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There have not been any material changes to the information in this Form ADV Part 2A brochure since our last brochure dated March 31, 2011.

There have been some changes in the members of our research team listed in the Part 2B of Form ADV brochure supplement. Since the members of our Research Department work together as a team in selecting stocks for our clients, we are required to list only the five members with the most significant responsibility for day-to-day discretionary advice for our clients. We have listed all six of the current members of our team in the Part 2B of Form ADV brochure supplement which is dated March 28, 2012. We would only need to change that supplement if it no longer included the five members with the most significant responsibility for day-to-day discretionary advice for our clients. You should obtain the most recent a copy of that brochure supplement to review information about the listed members of our research team. If you would like to be sure you have the most recent copy you can contact us at the address and telephone number on the cover of this brochure.

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## **Item 4      Advisory Business**

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Oak Ridge Investments, LLC is an investment advisory firm. We focus on analyzing and recommending for our clients equity growth stocks traded on United States stock exchanges. We began our business in 1989 and we currently offer five different equity investment strategies: Large-Cap Growth, Small-Mid Cap Growth, All-Cap Growth, Mid-Cap Growth, and more recently Dividend Growth.

The primary objective of our five investment strategies is long-term capital appreciation. Our Dividend Growth investment strategy also has dividend yield as a primary objective, with our goal to exceed the dividend yield rate of the S&P 500 Index. We anticipate dividend income will be incidental for our other four investment strategies. We also anticipate interest income from the cash portion of the accounts for all five strategies will be incidental. We seek to maintain accounts fully invested in equity securities (which we define as when the accounts hold less than 10% in cash-type investments).

We believe earnings growth is the primary determinant of long-term stock price appreciation. We seek to identify companies with, among other attributes, reported growing earnings and which we believe are likely to continue to have growing earnings. We evaluate whether they trade at reasonable valuations and have strong fundamentals. In evaluating a company's fundamentals, among the factors we typically consider are whether the company is applying sound business strategies, has solid financials, has a quality management team and quality products/services, has good business concepts and sales, and has a strong competitive position in its market. We try to balance the potential for returns with an assessment of potential risks. We take a longer-term perspective to portfolio investments – usually using a multi-year outlook. As a result, our annual portfolio turnover typically tends to be somewhat lower than many other actively managed, equity-based portfolios. We focus on companies based in the United States but may invest a small portion of the accounts in stocks or ADRs (American Depositary Receipts) of non-U.S. based companies which also trade on a United States securities exchange.

We provide investment advisory services to our clients using one or more of our equity growth investment strategies. We provide these services for the vast majority of our clients on a discretionary basis. Most of our clients have separately managed accounts which we manage under direct contracts or pursuant to sub-advisory arrangements. We also manage two mutual funds as an investment sub-advisor. In addition, we provide investment advisory services to unified managed accounts managed by broker-dealers or other investment advisers who use all or part, in their discretion, of the model-based stock selection information we provide to them.

As of December 31, 2011, we managed approximately \$2.664 billion of client assets on a discretionary basis. In addition, we provided investment advice for an additional approximately \$163.8 million on a non-discretionary basis which was comprised of the Unified Managed Accounts described at the end of this Item 4. We are an investment advisor registered with the Securities and Exchange Commission.

Our objective for each strategy is to outperform the Russell 1000 Growth Index (for Large-Cap Growth), the Russell 2000 Growth Index (for Small-Mid Cap Growth), the Russell 3000 Growth Index (for All-Cap Growth), the Russell Mid-Cap Growth Index (for Mid-Cap Growth), and the S&P 500 Index (for Dividend Growth), each over a full market cycle (which typically is several years). We strive to do this while seeking to take lower risk than the applicable index, by focusing on past and anticipated earnings growth and other investment considerations such as those mentioned above. We believe these indices provide appropriate comparisons to our respective strategies. When comparing our performance, please note that the indices include the reinvestment of income and dividends from their stock holdings.

Our investment strategies may underweight sectors in the indices (including not investing in one or more smaller sectors) but usually we do not overweight a benchmark index sector by more than two times. Money market or similar holdings for any cash portion of an account are chosen by the client or the client's custodian, broker-dealer or adviser, not by us. The cash portion of accounts is almost always below 10% of the account's total value, although it can temporarily exceed that level. Over time the accounts generally average closer to the 5% level in cash-type investments. As mentioned earlier, Oak Ridge seeks to fully invest accounts in equity securities (which we define as when the accounts hold less than 10% in cash-type investments). We do not use margin borrowing in our clients' accounts for the above five strategies.

This paragraph covers additional characteristics of our Small-Mid Cap Growth, Mid-Cap Growth, Large-Cap Growth and All-Cap Growth strategies. The number of securities in a portfolio can vary from approximately 40-60 securities, in part depending on the strategy involved. The initial weighting of a stock purchased for a portfolio usually does not exceed 2.5% of the portfolio and, as a guideline, stocks are usually pared (or in some limited cases may be sold) before or shortly after they exceed 5% of a portfolio. If a security constitutes in excess of 4% of the applicable benchmark index we may overweight that security even though it would lead to an over 5% weighting, but we in most cases would not outweigh the stock by in excess of 1%. These four investment strategies differ based on our market capitalization guidelines of the companies included, with some overlap. The market capitalization guidelines for initial stocks bought for our strategies is as follows: Small-Mid Cap Growth (\$250 million to \$3 billion); Mid-Cap Growth (\$1.5 billion - \$15 billion); Large-Cap Growth (\$3 billion and over); and All-Cap Growth (\$250 million and over). Stocks can continue to be held in a strategy if their market capitalization grows beyond the initial upper guidance after we first buy the stock in that strategy. While All-Cap Growth is eligible to own stocks in all market capitalizations over \$250 million, in almost all cases the stocks held will also be, or have been, owned in one or more of the other market capitalization strategies, although usually with different stock and sector weightings.

Our Dividend Growth strategy is somewhat more concentrated, typically holding between 20-33 securities. The initial weighting of a stock purchased is usually 3% - 4% of the portfolio. Our capitalization goal for companies owned in this strategy is at least \$5 billion. This strategy may own slightly more ADRs (American Depositary Receipts) of non-U.S. based companies which trade on a United States securities exchange, although the level would not exceed 20% of a portfolio. In addition to the factors described above for our other strategies, for this strategy we also look for companies with an acceptable dividend yield and a stated culture and commitment

to dividends. We also analyze whether the company can demonstrate the financial and earnings ability to continue to pay and grow dividends. Diversification between sectors may be different than our other strategies since over time some sectors are more likely to include companies paying dividends.

We manage clients in wrap-fee programs as well as other types of clients. We describe wrap-fee programs and fees in Item 5 below, and as noted, the advisory fee we receive for these accounts is a portion of the wrap-fee a client pays for those services. The accounts for our other separately managed account clients are managed predominantly the same way whether or not the client is in a wrap-fee program. The one potential difference is that for accounts which pay ticket charges or similarly charged commissions per-transaction even on small re-balancing transactions, we would consider the amount of such transaction costs and use a wider re-balancing threshold test as further described in the last paragraph of Item 5 below.

Your account assets are initially invested and then managed based upon a model securities account we manage which is representative of the investment strategy selected by you, while considering your objectives, individual needs, and restrictions. We continually evaluate and periodically revise your account against the model account. Actual account holdings for your account within a strategy may vary depending upon, among other reasons, the size of your account, the timing and size of cash flows and the cash levels within your account, restrictions on your account, whether your account pays ticket charges or similarly charged commissions per transaction even on small re-balancing transactions (which can differentiate how we trade an account in a wrap-fee program from an account not in a wrap-fee program), and the timing of purchases or sales for your account (including trade rotation between accounts and account groups held at various brokerage, custodian, and advisory firms).

To assist us in evaluating that our investment strategy is suitable for you, we will obtain information regarding your investment objectives, individual needs and any investment restrictions, either directly from you or indirectly from your broker-dealer, wrap-fee program sponsor, consultant, or investment adviser. In most cases your advisory or broker-dealer firm typically has evaluated Oak Ridge and concluded they would allow their individual advisers or brokers to determine whether our investment management and strategy would be suitable for you. You are responsible for informing us (directly or through your broker-dealer or investment advisor) of any changes in your investment objectives, individual needs, and/or investment restrictions. When we begin to manage a new client account, if that account contains securities other than those currently in our applicable strategy, we cause the client's investment in those other securities to be liquidated and purchase equity securities selected by us in their place to match our then current model (taking into account your investment objectives, individual needs and any investment restriction)..

As part of our account evaluation and acceptance process we review any proposed account restrictions you desire for the account. Each client has the ability to request that we manage their account with designated restrictions, although many clients do not request any restrictions for their account. We will review whether the requested restrictions are too broad or not sufficiently specific for us to be able to implement effectively. We also consider if we believe the proposed restrictions would eliminate too many stocks from the universe of what we would typically

purchase for the account. If we determined that is the case and the client still wanted to maintain those restrictions, we would conclude that the client would not be receiving sufficient value from our investment strategy and we would decline to manage the account; however, we have found in almost all instances we can work with the client's restriction requests. Clients can submit (usually through their broker or investment advisor) a request to change the restrictions and we will evaluate that in a similar manner.

On an ongoing basis we allow individual clients to make specific requests to realize tax losses or gains from their account if they desire. This requires sufficient prior notice. Most clients work with their brokers or investment advisors who in turn notify us of the specific transactions requested for a client.

Oak Ridge as a practice does not allocate initial public offering ("IPO") securities or secondary offerings to separately managed accounts. This is for two main reasons. First, because a material number of the broker-dealer/sponsor firms will not accept these securities into accounts held at their firm in their separately managed account programs, this would lead to automatic performance dispersion between accounts, a factor we try to minimize. Second, and at least equally important, it is unlikely that we would be allocated the sufficient number of shares of an IPO or secondary offering stock needed to fill across all accounts within a strategy to a sufficient level to conform to our minimum stock position practices for separately managed accounts. We will, however, from time to time participate in an IPO or secondary offering for a Mutual Fund sub-advised by us. The Mutual Funds are managed on a slightly different basis than the separately managed accounts so the actual request to participate in the initial public offering (or secondary offering), although recommended by us, is made by the investment adviser of record for those funds, the firm performing the trading for the funds. Each Mutual Fund is a single account and even if a small amount of shares is actually obtained, owning those shares is consistent with their investment strategy.

If your account is a pension or other employee benefit plan governed by the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), we acknowledge that we are a fiduciary to the plan under ERISA with respect to the assets in your account. In providing our services, the standard of care imposed upon us is to act with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person, acting in a like capacity and familiar with such matters, would use in the conduct of an enterprise of a like character and with like aims.

Our strategies are predominantly invested in equity securities, with the exception being cash-type investments selected by you or your representative for a portion of your account. Therefore the actual return and value of your account will fluctuate due in part to the volatile nature and the risks associated with equity securities. At any point in time the value of your account may be worth more or less than the amount originally invested and you should be prepared to incur losses. Our strategies may perform better or worse than their respective benchmark indices, the returns of other investment advisers or other investment products. We cannot assure you that our investment strategies will work under all market conditions and you should evaluate your ability to invest on a long-term basis, especially during periods of downturn in the market, in particular since we seek to invest for longer-term growth. Investment in securities entails risks which

include, among others, that equities are subject to basic stock market and company risks. We do not offer any products or services that guarantee a return on an investment, or a return of the initial investment amount, to any client. Our past performance is no guarantee of future performance. For investors in the Small-Mid Cap Growth strategy and in the All-Cap Growth strategy (which contain some companies with smaller capitalizations), please note that stocks of smaller sized companies are often associated with higher risks than stocks of large companies, including often having higher volatility.

As described earlier we generally provide investment advice for our clients regarding equity securities (exchange-listed and over-the-counter) only. We can (and at this time may in rare circumstances) provide advice on other securities including governmental debt and mutual funds.

Oak Ridge is majority owned by employees of our company. Two of our owners own more than 25% of our company. Pioneer Institutional Asset Management, Inc. is a minority (49%) owner, and the sole non-employee owner, of Oak Ridge and is itself an investment advisor. Pioneer Institutional Asset Management, Inc. is owned by Pioneer Investment Management, USA, Inc., whose ultimate parent is UniCredit S.p.A. which is an Italian based bank. David M. Klaskin, our Chief Executive Officer, Chief Investment Officer, and Chairman, also owns over 25% of our company.

### **Investment Supervisory Services for Investment Companies**

We provide investment supervisory services as a sub-adviser to two (as of the date of this brochure) mutual funds (the Pioneer Oak Ridge Large Cap Growth Fund and the Pioneer Oak Ridge Small-Cap Growth Fund (we refer to them as the "Mutual Funds" in this brochure)) under written agreements with Pioneer Investment Management, Inc. ("Pioneer"), the investment adviser of record to those Mutual Funds.

We have entered into agreements to provide specific investment management services to these Mutual Funds. Our services primarily include providing the Mutual Funds with advice and recommendations about each Mutual Fund's portfolio including when and how much to purchase, retain, and dispose of various securities in accordance with each Mutual Fund's objectives and policies. It should be noted that the Mutual Funds are managed subject to certain restrictions and permissions that may not apply to the separately managed accounts we manage. As a result at times different investment criteria may be used when managing the Mutual Funds. Some examples of situations where the Mutual Funds may have a slightly different makeup than the separately managed accounts managed in the same strategy include: (i) the presence of additional restrictions for the Mutual Fund on the location or size of companies and positions that can be included or retained – which can prevent our purchasing a new stock in a Mutual Fund or our adding shares to a position already held in the Mutual Fund or requiring us to sell a stock from the Mutual Fund that our other clients can still own; (ii) situations where we identify a stock where only a small number of shares can be purchased due to market or liquidity conditions, which may make it inconsistent with our minimum stock position practices for separately managed accounts but may still be appropriate for a Fund; and (iii) shares in an initial public offering or secondary offering are not offered to separately managed accounts, according



to our policies described above, but may be purchased for the Mutual Funds. It should be noted that for the Mutual Funds to participate in an initial public offering or secondary offering, although we will make the investment recommendation, it is Pioneer that requests the allocation to participate in the initial public offering and not us since Pioneer is the party trading the Mutual Funds.

### **Unified Managed Accounts**

As mentioned above, for a portion of our advisory business we provide investment advisory services to certain unified managed account programs (UMAs). The UMAs are managed by broker-dealers or other investment advisers that use, as part of their investment input, stock selection information provided by Oak Ridge via a model. We provide the information on our stock selections to the UMA firms as necessary, but we are not responsible for deciding whether to implement any or all of the trades for these accounts and as such these are not considered managed on a discretionary basis. The decision on whether and to what extent to use the information provided by Oak Ridge is left, in varying degrees, to the brokerage/advisory firms. Certain UMA firms will evaluate all of a client's accounts in their program, including the account using our model information, in determining whether to implement changes suggested by us. We are not the sponsor of any UMA accounts and the terms of those accounts, including the fees charged to clients by the sponsors of those accounts, are not determined by us. You should consult with your advisors about any UMA program terms that apply to your account.

## **Item 5      Fees and Compensation**

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Our clients pay us investment advisory fees for managing their assets in one or more of our five investment strategies. Our fee for a client is determined by agreement directly with our client or indirectly with their advisor or broker if the client is part of a wrap-fee program or other advisory or sub-advisory program. We are paid a portion of one percent of the assets we manage as compensation for our investment advice. We do not charge and are not paid fees based upon an account's performance and all fees are determined as a percentage of the value of the account.

We have several types of relationships with our clients and our general billing timeframe is on the calendar quarter, although several program firms we deal with prefer monthly bills. Separately managed investment accounts and unified managed accounts are billed quarterly or monthly based upon the fair market value of the net assets in an account that we advise. In many cases fees are billed in advance, typically using the value at the close of the last day of the prior billing period. In other arrangements, the fee is billed and payable in arrears (i.e. after the end of the period), usually based upon the account value at the end of the quarter/month. Some firms will use an average daily or similar asset value calculation in determining our fee instead of the quarter end value. For the Mutual Funds we sub-advise, our fee is determined by the Mutual Funds based upon the assets managed on a daily basis since fees must be accrued daily for Mutual Fund public pricing. When we refer to a "quarter" we typically mean a calendar quarter, although some firms use other quarterly periods for some of their clients.

We bill some clients directly for their fees. For other clients we send their bills to the clients' brokerage, investment advisor or custodian firms for the firms to pay from their clients' accounts or for the firms to pay out of wrap-fees they have received from their clients. For some other clients, the firms where the clients keep their assets calculate the amount of the fees due us and will send us the payment with details so we can verify that they match our agreements.

For a few of our clients' accounts we have the ability to deduct fees directly from their accounts on a quarterly basis. We do not require this and prefer that clients pay their fees directly without giving us that authority. Most of our clients cannot have this option since many of the primary investment advisors, brokers, banks, or other custodians which hold client accounts pay the fees themselves, whether they determine the fee or we bill for the fee. We are not seeking the ability to deduct fees from additional accounts and if any client who currently has fees deducted by us directly from his or her account would like that we be paid in an alternate manner please contact us at the address and phone number on the cover of this brochure.

When we calculate advisory fees, we bill based upon the value of the "net assets" we are managing. The net asset value includes the value of the equity securities plus money market accounts or other cash equivalents plus any accrued income and dividends for the account. Our initial quarterly/monthly fee for an account is pro-rated for the remaining portion of the billing period using the date the account is opened. When we bill a client in advance, we may charge an additional pro-rated fee if our client later adds material assets to his or her account during a billing period. In almost all cases, our current annual fees for separately managed accounts range from 0.34% - 1.00% of the account assets. Fee rates vary depending upon many factors including: which of our investment strategies is chosen for our client; the amount of assets under management (either in an individual account, for a client overall, or potentially together with the assets managed for all accounts of a particular broker or investment adviser under a program); the types and extent of services provided to the client; the type of client; and the nature and size of the wrap program involved. Certain of our employees and some of their relatives may be charged lower fees if they maintain separately managed accounts, although the accounts are otherwise on the same terms, and managed in the same way, as other separately managed accounts in the same strategy. Our fees are negotiable. While most of our fee arrangements vary from the following since they are negotiable and due to other factors, including those mentioned above, our published fees are as follows:

<u>Investment Strategies</u>						
		<u>Small-Mid Cap</u>	<u>Large-Cap</u>	<u>All-Cap</u>	<u>Mid-Cap</u>	<u>Dividend Growth</u>
First	\$10,000,000	.95%	.75%	.85%	.85%	.75%
Next	\$15,000,000	.90%	.70%	.75%	.75%	.70%
Next	\$25,000,000	.80%	.65%	.70%	.70%	.65%
Over	\$50,000,000	.70%	.60%	.65%	.65%	.60%

As mentioned earlier, in some cases assets from multiple accounts of a particular individual client, or multiple accounts from a particular wrap sponsor, may be combined to calculate either the negotiated asset tier or effective rate for purposes of determining our fee for those accounts. In some arrangements, once a high level of assets is managed by us for a firm's clients, we receive a reduced fee on additional incremental assets managed (resulting in a lower effective fee rate). We do not determine whether that reduces a client's wrap-fee or any other client charge; that decision is determined by the terms of the sponsor's wrap program and its arrangements with its clients.

Oak Ridge also provides investment advice to Unified Managed Accounts. For these accounts, we provide advice to the program sponsor or administrator on a single account non-discretionary basis and not to individual accounts. As a result of this difference in level of service, our investment advisory fee range is lower for these types of programs than would otherwise be received from the various firms. While our investment advisory fees are negotiable, in almost all cases the fees range from 30 - 40 basis points for these programs and we do not maintain a fee schedule for these services. As with separately managed accounts, we do not negotiate and are not involved in the overall fees and expenses charged to a client's account in a Unified Managed Account program and clients should consult with their advisors as to the total fees charged for their account.

New clients signing contracts directly with us may terminate their advisory agreements without penalty within five business days after entering into a contract with us, and no charges will be imposed by Oak Ridge other than a pro-rata charge for bona-fide advisory services actually rendered during the five day period. You, or Oak Ridge, may terminate your advisory agreement or arrangement with us by written notice at any time. Where you terminate the advisory agreement, any termination will be effective, at our determination, no later than ten days after receipt of such notice ("termination date"), although in most cases the termination will occur at the end of the date or shortly following the date we receive notice of termination. Your termination of an advisory agreement will not impact transactions we have started on your behalf prior to the effective termination date. Advisory fees we receive in advance that cover a period that extends beyond the termination date will be refunded to you pro-rata based on the number of days during the period following the termination date. Depending on the way the fee was received by us, we will either refund the fee to the party who paid us or the broker-dealer/adviser holding your account will refund the fees to you and deduct the refunded amount from a future sub-advisory payment to us or will bill us. The return of any refundable fees to a client by us or through the client's broker-dealer/adviser usually occurs early in the quarter following termination of our account management. If you want a refund of fees sooner than the end of the month following the quarter in which you terminated us as your manager, you or your advisor can specifically request that in writing to us at or after the time the account is terminated and we will endeavor to do so. Sub-Advisory agreements with respect to the investment companies we sub-advise are terminable in accordance with the terms specified in the sub-advisory agreement.

The broker-dealers, investment advisers, banks or others that act as custodian for our clients' accounts almost always charge their own advisory fees. That advisory fee may be separately stated from our fee or a firm may charge a single fee that includes that firm's advisory fee and our advisory fee, as well as, for wrap-fee accounts, most other costs associated with the account

as described in later this Section. However, you will have to review the terms of your wrap-fee arrangement if you have a wrap-fee account at a firm.

For all client accounts managed by us, the client, broker-dealer, investment adviser, bank or custodian at whose firm the account is held (but not Oak Ridge) selects the money market vehicle in which cash portions of the account are temporarily held. Any fees of the money market fund are, in most cases, in addition to the fees otherwise paid by you to your adviser and to Oak Ridge (including in wrap-fee accounts). None of these fees from money market account vehicles are paid to us. You should discuss the nature, risks, fees, and selection of the money market funds with your advisers. We do not include any recommendation to invest part of any wrap-fee account or other separately managed account which we advise in any of the Mutual Funds that we sub-advise or in any specific money market funds.

We provide advisory services in a number of programs where a client enters into an agreement with a registered broker/dealer or investment adviser (a "wrap sponsor"). We are not a wrap sponsor of any wrap program. The wrap sponsor generally charges one all-inclusive fee ("wrap fee") to clients based upon a percentage of the market value of the client's account, and that fee typically covers: (1) investment management of the client's account on a fully discretionary basis; (2) assistance in selecting and evaluating one or more investment advisers or sub-advisers from a group available under a particular program; (3) execution of transactions in the account without brokerage commissions charged by that broker for trades executed by that broker (as described elsewhere commissions, or price mark-ups or mark-downs, on securities position block trades, also referred to as step-outs or trade-aways, executed at other broker-dealers for best execution purposes and allocated to wrap-fee accounts may be charged to wrap accounts in addition to the wrap fees); (4) custody services for the account, including providing periodic statements and confirmations; (5) ongoing client consultation regarding investment objectives and suitability; and (6) periodic evaluation and comparison of account performance. We would generally only be responsible for services relating to the account described in item (1) above for sub-advisory relationship accounts, but in some cases we provide information on account performance. In other cases we may be involved in choosing broker-dealers for execution of trades, including whether a step-out or trade-away is advisable for trading in a particular security for best-execution considerations if permitted by the client/program sponsor (and with potential charges described in the following paragraph). Clients should consider whether a wrap program and wrap-fee arrangements are suitable for their needs, given factors such as the size of the account, their investment objectives, and the frequency of transactions in the account for our investment strategies, as well as any other services provided under the arrangement related to the charges and the structure of the account.

In a number of trading situations, we may decide for purposes of obtaining best execution to execute block trades in position transactions (meaning, trading in a security across almost all accounts in one or more of our investment strategies) at firms other than your broker-dealer or wrap fee firm. We would then allocate those trades to the various participating firms (those where we are permitted by the wrap-fee or custodial firms to do so and we believe it is appropriate for best execution purposes to execute and allocate in this manner). There are typically commissions, and/or price per-share mark-ups or mark-downs if traded on a net price basis, for these types of trades and all participating accounts pay these additional charges, even

wrap-fee accounts. Some firms may also charge an additional fee to each account as a service-type charge for processing these block trades, and we consider such charges when considering the anticipated best execution benefits in evaluating whether to execute block trades at other brokerage firms for allocation to these accounts. The reasons we may execute such trades as well as the specific considerations involved with these types of trades are described more fully in Item 12 of this brochure. Clients with directed brokerage restrictions on their accounts and clients of firms which do not permit such step-outs or trading-away or for which Oak Ridge manages too few accounts to make such trading techniques economic and/or practical would not have these types of additional commissions or costs, but, as we describe later, also may not receive the potential benefits of our discretion in using these types of trades.

For non-wrap accounts, clients pay commissions, trade tickets and/or similar fees with respect to transactions in their accounts by broker-dealers as well as potentially separate custodial fees and other fees provided under their account arrangements with their investment advisor, broker, bank or other custodian for many of the services described above for wrap-fee accounts. None of these commissions or similar fees are paid to Oak Ridge or its affiliates.

Clients paying commissions or trade ticket type charges in their accounts should consider this additional information. As described in the advisory business section earlier, in addition to the specific stock position transactions that we would periodically initiate for your account, decisions by you to add money or assets to, or withdraw money or assets from, an account can have an impact on the number of trades and therefore on the total cost you incur. In particular a client with a commission/trade ticket charge account should be aware that an addition to or withdrawal from the managed account can, depending mostly on the addition/withdrawal size as related to the account size together with any other similar cash activity in the account, result in multiple trades (potentially each time) to rebalance the account to Oak Ridge's suggested model for the account. There is the potential for a buy or sell of an incremental amount of each stock in the portfolio to rebalance the portfolio. Since there are typically between 40-60 securities in accounts the client should consider the total commission/trade ticket charge for the potential account rebalance transaction before initiating a withdrawal or contribution, in particular for smaller accounts, and especially if the withdrawal or contribution is not a long-term client investment decision (for example a short term account deposit) which could cause a second set of transactions when later reversed (withdrawn). These costs could amount to a material portion of the amount of the contribution or withdrawal and ultimately it is the client's decision to contribute or withdraw money or securities that leads us to evaluate whether to rebalance. We are considering these potential costs as part of our process by using a slightly wider rebalancing threshold for accounts with commission/trade ticket charges, although clients should still consider the potential costs when initiating contributions and withdrawals. In addition, we note that the impact of using a slightly wider rebalancing threshold may have a positive or negative impact on account performance, depending on how the account would have performed with a narrower rebalancing threshold such as for a wrap-fee account, although we believe that on the whole it will be beneficial to our clients with these types of accounts. Other factors such as tax-selling may affect the number of trades performed in your account. You should review the suitability of this type of account structure versus a wrap program based on your individual needs.

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

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Not applicable.

## **Item 7      Types of Clients**

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Our clients consist of individuals, investment companies, pension and profit sharing plans, retirement accounts, trusts, estates, corporations and other business entities, charitable organizations, and banks and thrift institutions. A client wishing to establish an account with us through financial intermediaries and wrap programs must in most cases start with and maintain a minimum of \$100,000 per account. For clients who wish to have us manage their account directly, rather than through a wrap or sub-advised program, in some cases we would require that the client start with and maintain a minimum of \$1 million per account (with all assets still held by the client's chosen custodian), but often we would accept a lower minimum account size.

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

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Our portfolio managers and analysts focus predominantly on fundamental research, described more fully below, of companies in selecting stocks for our clients. We perform bottom-up analysis of companies to evaluate if they meet our investment criteria. Our research team uses a minor amount of cyclical analysis for input into sector and industry weightings. They are also aware of charting and technical analysis factors which could from time to time provide some potential input into their decisions. We purchase common stocks for our strategies which are traded on United States securities exchanges. We do not use derivative instrument strategies, such as futures or option transactions.

We believe earnings growth is the primary determinant of long-term stock price appreciation. We seek to identify companies which, among other attributes, have reported consistent, growing earnings and which we believe are likely to continue to have growing earnings. We evaluate whether they trade at reasonable valuations and have strong fundamentals. In evaluating a company's fundamentals, among the factors we typically consider are whether the company is applying sound business strategies, has solid financials, has a quality management team and quality products/services, has good business concepts and sales, and has a strong competitive position in its market. We try to balance the potential for returns with an assessment of potential risks. We seldom purchase a stock with a short-term holding horizon using generally a three-year time horizon at the time of purchase, although with changing results or analysis some stocks may be sold in a short-term timeframe. As a result, our annual portfolio turnover typically tends to be somewhat lower than many other actively managed, equity-based portfolios. We focus on companies based in the United States but may invest a small portion of the accounts in stocks or ADRs (American Depositary Receipts) of non-U.S. based companies which trade on a United States securities exchange.

As noted earlier our strategies are predominantly invested in equity securities traded on United States stock exchanges (with the sole non-equity exception generally being cash-type

investments for the cash portion of the accounts). Therefore, the actual return and value of your account will fluctuate due in part to the volatile nature and the risks associated with equity securities. At any point in time the value of your account may be worth more or less than the amount originally invested and you should be prepared to bear losses. We cannot assure you that our investment strategies will work under all market conditions and you should evaluate your ability to invest on a long-term basis, especially during periods of downturn in the market, in particular since we seek to invest for longer-term growth. Investment in securities entails risks which include, among others, that equities are subject to basic stock market and company risks, and a particular security or securities in the portfolio or securities in general, may decrease in value for many market, sector, industry, or company specific or other reasons. Oak Ridge does not offer any products or services that guarantee a return on an investment, or a return of the initial investment amount, to any client. Our past performance is no guarantee of future performance. For investors in the Small-Mid Cap Growth strategy and in the All-Cap Growth strategy (which contain some companies with smaller capitalizations), please note that stocks of smaller sized companies are often associated with higher risks than stocks of large companies, including often having higher volatility.

As described in Item 7 above, a managed account program requires a minimum asset level and, depending upon an investor's specific investment objectives and financial position, may not be suitable for all investors. You should carefully consider the investment objectives, risks, charges, and expenses of a separately managed account program (whether a wrap account program or an account which is charged a commission/trade ticket charge per transaction) before investing. We do not determine the nature, terms or charges involved in clients' wrap programs and, as such, the decision about whether to use a wrap-fee or a commission/trade ticket charge per transaction for your account must be made by you independently based on your situation and goals, usually in conjunction with your other advisers.

## **Item 9      Disciplinary Information**

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Not applicable.

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

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We are affiliated with Pioneer Investment Management USA, Inc. ("Pioneer") because that company is a partial (49%) owner of Oak Ridge. The ultimate parent company of Pioneer Investment Management USA, Inc. is UniCredit S.p.A. which is an Italian based bank. We have several business relationships with Pioneer and its affiliates.

Pioneer Investment Management USA, Inc. owns several registered investment advisers and a broker-dealer, among other companies. As described in Item 14, employees of one of those investment advisers - Pioneer Institutional Asset Management, Inc. (PIAM) - has entered into a solicitation agreement with us to help us solicit potential clients. As described in Item 4, we are a sub-adviser to two Mutual Funds, the Pioneer Oak Ridge Small Cap Growth Fund and the Pioneer Oak Ridge Large Cap Growth Fund. One of the other Pioneer investment advisers,

Pioneer Investment Management, Inc., is the investment adviser of record for the Mutual Funds and our sub-advisory agreement is with that company.

Oak Ridge also subleases a portion of its leased offices to Vanderbilt Capital Advisors, LLC, an investment adviser subsidiary of PIAM. The lease is in writing, for a fixed period of time and for fixed rent and we do not believe it constitutes a conflict of interest. Our offices were subdivided so they are completely separate and there is no independent access to each other's office

PIAM has a limited time option to buy an additional percentage ownership in our company from employee-owners during a two year period beginning in approximately five years. PIAM currently selects one member to serve on our three member Board of Managers. Under our agreement with PIAM we remain independent and separately in control of our day to day business matters, including employment, research, portfolio management, compensation, operations, etc. in most situations.

Some employees of Oak Ridge are licensed as registered representatives with Pioneer Funds Distributor, Inc. (and a few of those employees have additional securities brokerage licenses with that broker dealer). This was primarily in case their advisory activities on behalf Oak Ridge as related to the Mutual Funds were deemed (even though not intended to be) sales activities.

We provide administrative services and operational and back-office support for certain separately managed accounts advised by PIAM and its affiliates. We are paid a fee for these services which is meant to at least reimburse us for our expenses. We entered into this agreement principally because we have experience in this area and to assist our part owner. This is not a service we offer to others and as such we do not consider it a separate business activity. The services from time to time include, for example, client accounting services, client paperwork processing, related administrative services and, in some cases, trading services. This activity currently is a very minor part of our activities and does not require a material portion of our or our employees' time or efforts.

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

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Our policy is that our employees must avoid conflicts of interest with our clients. We also attempt to minimize or eliminate the impact of potential conflicts of interest. As a result, we have adopted a Code of Ethics that governs the conduct of our employees, including securities transactions for their personal accounts and other matters. A copy of our Code of Ethics is available to any client or prospective client by request to us either by telephone or in writing to us at the address on the cover of this brochure, attention Compliance Department.

Our goal is that our employees are aware that they have an ongoing duty of good faith to act in the best interests of our clients in managing our clients' accounts; that employees' personal securities transactions must be conducted consistent with the Code of Ethics in a way that avoids



or deals with any conflict of interest; and that no inappropriate advantage should be taken of any position of trust or responsibility given to us by our clients.

Oak Ridge may recommend or purchase, on behalf of our clients, securities in which our employees and other persons related to those employees own. This may present conflicts of interest if, for example, our buying the security on behalf of our clients could materially increase the current value of the security and therefore appreciate the value of the employee's investment, or if our employee were to sell the security before our clients sell the security, which could result in our employee receiving a materially better sales price for the security. To avoid these conflicts we require that prior to buying or selling shares of a company's stock, options, or warrants etc., an employee obtain pre-clearance by our compliance department. Pre-clearance is rarely given if the security is held in and is actively being purchased or sold for our clients' accounts or if the security is currently being considered for purchase for client accounts. Although we do not require pre-clearance for transactions in mutual funds or exchange traded funds (ETFs), frequent trading transactions by our employees in any Mutual Fund advised (or sub-advised) by us are not permitted as this could appear to be an attempt to market time or misuse information. Our investment advice for our separately managed accounts does not include any recommendations that those accounts own any shares of a Mutual Fund we advise or sub-advise.

In limited situations pre-clearance for a trade that we would otherwise restrict may be given if we believe there are adequate safeguards against a negative impact to our clients' accounts. One example of a permitted pre-clearance would be to allow the sale of a security which is being considered for addition to client portfolios if the sale is made at least one day prior to our purchase of the security for any client portfolio. This is anticipated as an unusual occurrence, but it should not adversely impact the prices obtained for future client purchases and at the same time it removes a potential ongoing conflict of interest issue for the employee if the employee would need to sell the security in the future while still owed or being bought in Oak Ridge accounts. Because the potential for a conflict of interest is greater for employees who can recommend the purchase of securities for client accounts, if a member of the research team already owns a stock that is to be considered for purchase or sale for client accounts, he or she is required to disclose that to the research team and, while he or she can recommend a stock transaction, he or she will not be the decider of whether to purchase the stock for client accounts. The goal of this is to address the personal interest the member of the Research Department may have in buying, holding, or selling that security for clients due to the potential impact on the employee's personal holdings. Our Director of Research is also periodically notified of stocks currently owned by members of the research team. Furthermore, we require all of our employees to furnish periodic transaction reports and statements of security transactions to a designated Oak Ridge compliance official responsible for monitoring conflicts of interest. We also require employees to submit on an annual basis information on certain securities they directly or indirectly beneficially own and other information which we evaluate for conflicts of interest.

One permitted exception under the Code of Ethics reflects our belief that many of our clients view it favorably when our employees or close relatives maintain separately managed accounts with us and/or investments in the Mutual Funds we sub-advised. Separately managed accounts for employees or close relatives use the same investment strategy as other separately managed

accounts and are treated for all purposes like other separately managed accounts in the same investment strategy (although their accounts may have lower fees). One of the ways we undertake to have equal treatment of these and all other accounts (including the Mutual Funds which we sub-advise) is through our trade rotation policy. Our trade rotation policy is designed to help us allocate trades to all of our clients' accounts in various stock positions on a fair and equitable basis over time, while at the same time seeking best execution. Our employees may also invest in Mutual Funds we sub-advise on the same terms as one of the publicly available classes of shares in those Mutual Funds (except any applicable front-end sales charge by those Mutual Funds can be waived). We also would permit, in certain circumstances, an account which is being considered for a future Oak Ridge strategy where securities transactions are effected on a significantly pre-determined quantitative basis so that the employee could not control the decision to buy or sell any particular stock or the timing or amount of such transaction; provided further that the ownership of stocks owned by other Oak Ridge clients is incidental to the strategy.

In addition to securities transactions, our employees are not to accept gifts or other items of more than de-minimis value from any person or entity that does business with us. No Oak Ridge employee may serve on the board of directors of a publicly traded company without prior written authorization by our Chief Compliance Officer. If such board service is authorized, that employee will not have any role in making investment decisions regarding that publicly traded company and other precautions may be taken depending on the circumstances to avoid or address conflicts of interest.

Our employees are required to acknowledge receipt and understanding of the Code of Ethics annually. If it is determined that a violation of the Code has occurred, we may impose such sanctions as we deem appropriate, including but not limited to, suspension of personal trading privileges for such period as may be deemed appropriate, dismissal from Oak Ridge, and/or other sanctions.

## **Item 12      Brokerage Practices**

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The majority of our clients participate in wrap-fee programs. Other clients have accounts at firms which charge those clients commissions. Some of our clients select a broker to which they want us to direct trades for their account (at the commission rate they have negotiated), while others ask us to suggest a broker that would work well with both parties. Some wrap sponsors require that we only trade through their firm, which has the same effect on choice of broker as those clients who direct that we only trade their accounts at a particular broker. For most of our separately managed account clients, however, we have the ability to determine which broker to use for their transactions. For the Mutual Funds we sub-advise, broker selection is made by the primary advisor for whom we act as sub-adviser, although we can suggest firms to trade with as described below. For all trades we execute on behalf of our clients, we use only pre-screened broker-dealers unaffiliated with us.

As we discuss in Item 5 above, wrap-fee accounts almost always include brokerage costs as part of the wrap-fee paid by our clients. As a result, clients within wrap-fee programs and clients

who have commission based accounts at a broker have an established primary brokerage relationship before they enlist us to manage their account. For the few clients who ask us to advise them about a broker for their account that would work well with both parties, we have evaluated a number of primarily execution-only firms. Based on cost competitiveness, best execution considerations, customer service to our clients, and operational needs for trading, we have concluded to use one or more of three primarily execution-only firms at this time, although clients are free to choose another broker if they desire. We do not get client referrals from any of these brokers. Some of these brokers have provided third party pure research to us for the benefit of our clients. They do this out of the commissions (or markups or markdowns) they receive from our clients at those firms. They are not required to do this, but it is beneficial to our clients by enhancing our purely research resources. The types of research we obtain are described below.

We typically perform two types of trades for our clients. One type is called a position trade, which is the purchase or sale of a stock for most or all portfolios in one or more of our investment strategies. By its nature, a position trade will impact many client accounts at once. The other type is a non-position trade which reflects individual activity in a client's account such as initial investment positioning for a new account, rebalancing an account due to additions or withdrawals of cash or securities, securities selling for an account being liquidated, or other account-specific transactions such as client directed tax transactions.

For non-position trading, we almost always use the brokerage firm that holds custody of the account or which was chosen by the client. There are usually many transactions in a non-position trade when an account needs to be rebalanced for most of the above reasons. These trades will generally be executed as orders at the then current market price. Moving the trades to another broker will not likely add any value since the relatively small amount of shares involved for each of the securities will not merit other types of trading. This is particularly true for wrap-fee accounts which typically include the charges for these types of trades in their fee and it would be expected that best execution would be obtained by having the wrap-fee broker execute the trades. We consider the execution performance of individual firms used for such account-level transactions but have found in the past that best execution is almost always obtained for those types of non-position transactions using the sponsor firms or the firm chosen by the clients.

A position trade for our clients' accounts usually involves the purchase or sale of a larger total volume of a single stock. We make an assessment for these trades and whether our clients could benefit from an aggregation (step-out) strategy. For the best execution purposes discussed below, we consider whether the trades for various accounts at one firm should be combined with those of other clients at other firms and traded on a step-out or trade-away basis as a "block". The result is an average price for all shares executed for the various accounts in the "block" during that trading day or until the block is filled, if earlier. Please note that a number of firms do not permit the use of step-out trades for their accounts and in other cases the number of accounts we manage at that firm may be too few to economically and/or practically permit us to trade in such a manner. There is a cost for this trading method, in the nature of an extra commission or cents per share mark-up or mark-down, which may not otherwise be incurred by wrap-fee accounts if traded with the sponsor. As described below, we believe this method of

trading still constitutes best execution in a number of cases when considering all the factors involved in the specific trade and situation.

Both in deciding to execute step-out securities transactions and in selecting a broker to do so, we consider a variety of factors. Depending on the stock, the nature and timing of the order, among other factors, we consider: our experience with the firm on prices and other results obtained in prior trading transactions; the quality of the brokerage services provided to us (and thus to our clients); the liquidity of the security being traded; the level of commissions (or mark-up or mark-down cents per share when traded on a net basis) charged by that firm; the firm's market making activity in a stock; the firm's access to liquidity in the stock (described further below); the research (if any) services provided by the broker-dealer for the benefit of our clients (as discussed in the next paragraph), whether provided directly by the executing broker dealer or by another broker-dealer which may be paid through a commission-type sharing arrangement with the execution firm; the speed and attention we receive from the trading desk for our clients; whether the firm has been able to trade anonymously for us (i.e. without others in the market knowing a buyer is interested in volume); whether the brokerage firm can and will commit its capital (if we request this) to obtain or dispose of the position for our clients; the capitalization of the security being traded; the nature of the our portfolio managers' desire (for example a desire for speed versus other factors including concern with obtaining the stock within a price range for all accounts) to own the stock; the use of limit orders and the likelihood of getting within the limit or missing the desired trade if the trading process takes too long; any particular trading expertise of the firm; access or potential access to blocks of a particular stock; market conditions at the time of the trade (both general conditions and conditions impacting the specific stock); and any past issues we encountered when using a particular sponsor firm for similar trades.

As more specific information on the research item mentioned in the prior paragraph, a material consideration in choosing a broker-dealer for execution is the value of permissible research services provided to us, for our clients, by the broker-dealer as a result of our trading with that broker. This can be either directly as proprietary research by that firm or paid through a commission-type sharing arrangement between the execution firm and the firm providing research. All such research services are used to service all of our accounts and not solely for the specific accounts paying such charges. We consider the research provided by certain broker-dealers and other research providers to be a significant benefit to you as our client and we also evaluate the quality of research on an ongoing basis. Research services may include such items as: economic reports; statistical information; analyses of particular companies or industries prepared by the firm's analysts; increased opportunities arranged by the firms for us to meet directly with management of companies in which we invest or might consider investing (including small or medium group meetings or especially one-on-one meetings, which our analysts can travel to or which (optimally) might be held locally or even at our offices where more analysts can attend for the benefit of our clients); access to presentations by analysts; invitations to conferences where numerous companies (including usually their senior management) gather and present their companies and meet with interested analysts - again a very helpful research tool provided by the firm where many group or one-on-one meetings with company management can occur in a short time; and access to discussions with industry and company analysts and others (such as economists) working for the broker-dealer or retained by the broker-dealer who spend much of their time analyzing specific companies or industries or

larger economic trends. In some situations the broker-dealer through which we trade will pay a third party research firm to provide research to us for the benefit of our clients. These third party firms can include: a purely research firm (i.e. a non-trading firm); a firm that has very good research but does not have high quality trading; or a firm which may have both but which we may not be able to sufficiently utilize for various reasons. We do not receive any products or any non-research services in return for allocating brokerage. We consider that research services received will fall under the safe harbor of Section 28(e) of the Investment Advisors Act of 1940.

We have an ongoing list of broker-dealers which meet our standards regarding execution and research capabilities. Our trading department evaluates the quality of the trading and execution services and capabilities (in part as described above) of various broker-dealers over time. Separately, the Research Department evaluates the nature and quality of the research services provided by the broker-dealers involved to confirm that our clients are receiving material value, in their opinion, from those relationships to warrant use of such firms for some position trading. The Research Department also evaluates the nature and quality of the research services provided by those third parties from whom we receive research as a result of brokerage transactions by our clients. The Research Department reviews and monitors the amounts of trading compensation received by these broker-dealers on a periodic basis, and updates its list of firms whose research is particularly helpful for our clients (including in some limited cases setting target trading compensation to be received in light of the research received from those firms). Some firms have established tiers of trading revenue required to provide levels of services, which we take into account in evaluating the trading volume at a firm. If trading above a target at one firm does not entitle us to additional research for our clients, that trading may be better transacted at another firm with comparable execution that will also provide us with research for our clients. All of these targets and any trading amounts performed are strictly target amounts and are not obligations of Oak Ridge or our clients.

When we choose to step-out or trade-away an order, our clients participating in the order may pay an extra charge (commission or mark-up or mark-down on trades executed on a net basis) compared to what they would otherwise pay (in particular if they are wrap-fee account clients). Clients/firms that do not allow us to engage in step-out trades, however, will not benefit from our judgment when we believe it would be beneficial overall to implement trades in this manner. One example: as mentioned earlier we use brokers that often try to seek out liquidity positions that might enable a block of shares to be traded at a single price, which can reduce our trading impact on the market price and may produce a slightly more attractive price for those shares. Liquidity positions can include seeking out potential buyers or sellers who might want to trade an entire block of stock at a particular price or better but do not want to issue a buy or sell order due to its potential impact on the market price of the stock, or for other reasons. These same liquidity positions are not often available through an account's wrap-fee account broker, in part because they may not have sufficient shares to interest a block. If such a block is located and is time sensitive, we may move participating accounts up in a specific investment rotation of accounts to take full advantage of an attractive opportunity that the other client accounts could not utilize. This may be especially applicable for some smaller cap stocks (which may be subject to higher volatility or greater liquidity constraints), stocks sought to be purchased quickly, as well as for other reasons.

A potential conflict of interest is that in exchange for executing trades with a particular broker-dealer, we may receive these non-monetary purely research services. This could be an incentive to execute these types of trades or choose such broker-dealers. The additional research is a benefit not only to our clients but also to Oak Ridge because we do not have to support the full cost of the research that is being provided for our clients. We subscribe and pay for a number of resources ourselves which we consider fundamental to our providing quality research for our clients. There are other resources available that would be helpful to our clients and when part of the decision to step-out or trade-away a position trade has the added benefit of providing these additional research resources, we believe it is advantageous to our clients to consider that factor. As described above, our overall evaluation of the merits of using a step-out trade versus executing through the various brokers for the underlying accounts considers factors which include not only the trading benefits to participating and non-participating accounts but also the research benefits to all clients. We evaluate our decisions carefully and review that we make decisions in the best interests of our clients. This can include considering that the research benefits are valuable to our clients for managing their accounts. We believe we balance these considerations appropriately and in our clients' best interests.

A disproportionate amount of the additional research resources received in the above manner come from the client accounts that allow step-outs, from the accounts trading at certain firms for which clients open brokerage accounts when they request a broker relationship, and potentially from some trading by the Mutual Funds we sub-advise (as described below). We believe these benefits are more than sufficiently beneficial to the clients who do participate.

When we determine it is appropriate and in the interests of best execution to attempt to execute the orders as one or more block trades, these circumstances can also give rise to actual or potential conflicts of interest among the subset of those clients actually participating in a block trade, especially if the block trade order results in a partial fill. To address these matters, we have adopted certain procedures in allocating securities and block trades among client accounts in an attempt to provide an equitable method of trade allocation over time, including a rotational system of trades that takes into account these and additional factors.

In the cases where a client has requested of us to implement trades through a designated broker-dealer we will usually agree and use the particular broker-dealer for all trading for their account unless it presents especially difficult operational or performance issues. As described above, we believe that position trading (i.e. trading in a security across almost all accounts in an investment strategy) can at times be better executed through trading with a broker chosen by us on a "step-out" basis or using a broker-dealer for a particular trade that differs from the account's typical execution broker. If a client or the client's firm does not allow this or directs us to use only a particular broker for the client's account, we believe it can potentially adversely impact our ability to obtain best execution on the position trade. In addition, the designation of a broker-dealer by you may cause you to pay a higher (or lower) transaction fee than otherwise may be available. This may be measured by either the actual commission paid for a particular transaction or by comparing the aggregate charges you would pay for transactions in an account compared to the wrap-fee charged for a similar account. We may not be authorized under those circumstances to negotiate transaction charges, obtain volume discounts, or seek best execution for you since we cannot use another broker-dealer for step-out or trade-away transactions or any other

transactions. Under these circumstances, a disparity may also exist between the total transactions costs (including fees and execution prices) incurred by you and those clients who do not direct us to trade their account at a particular broker-dealer. A similar impact may occur if the brokerage firm holding custody of your account does not permit step-outs or trade-aways, or if the number of accounts managed by us at brokerage firm used by you is too few to economically and/or practically permit us to trade in such a manner. You should consider the implications of any fiduciary laws applicable to you prior to designating a broker-dealer for execution of all your trades.

As noted above, we sub-advise two Mutual Funds. We have investment discretion over and therefore select the stocks to be owned by those Mutual Funds. Our traders transmit to Pioneer Investment Management, Inc. information on which securities are to be traded in the Funds. The actual trading execution of those accounts, however, is performed at Pioneer, the investment adviser for which we serve as sub-adviser for those accounts; therefore, those accounts cannot be combined by us for trading purposes in block trades with other clients in situations where we are purchasing or selling blocks of stocks for various client accounts.

We will suggest firms to Pioneer for execution of trades, considering among other factors if all else is equal the research services we receive for our clients from such firm. The actual decision on trading is made by Pioneer's trading department. We also provide Pioneer with information from time to time about known sources of liquidity which Pioneer may act on in its judgment. When Pioneer believes the execution will be the same at various firms, they may consider which of those firms is providing research and management access to members of our research team. The ultimate decision is left with Pioneer. Pioneer also sets the commission rates for each type of trade with the broker it uses. The firms which provide us with research access and company management access appreciate having some trading directed to them which in turn encourages them to contact us when company management is in town or when they have insights into current or potential holdings for us or to provide increased access to our research inquiries, all of which we believe are very beneficial to our clients, including the Mutual Funds as well as all of our other clients.

### **Item 13      Review of Accounts**

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All accounts that we managed are periodically individually reviewed. We review accounts in a number of ways. We review accounts at least monthly and on test levels throughout the month, based on cash levels, investment levels, and other factors. Accounts are also reviewed for reconciliation with custodial official records on a daily or monthly basis, depending upon the availability of daily (using electronically available data for most of our client accounts) or monthly (using monthly statements for some client accounts) account information from custodians. Additional or special reviews of an individual account would likely be triggered by one or more of the following: (1) a change in a client's investment objectives, financial situation and/or guidelines (including restrictions) reported to us; (2) transactions requested for a client to meet tax considerations or other requests initiated by a client; (3) cash and/or securities being added to or withdrawn from the account; (4) the purchase or sale of a security for the applicable investment strategy portfolio; (5) a review of account restrictions or performance; or (6) any exception noted for the account by a reviewer or by any other party whereby the cash portion of

the account, the level of a security in the account, or the identity of a security in an account is not substantially in proportion to the expected account makeup. In addition to our four Portfolio Managers (who, together with the two other members of our investment team, are responsible for continually reviewing and revising, as they determine appropriate, the models for the various investment strategies), one or more of the nine members of our operations and trading departments review the accounts. These individuals include our portfolio investment accountants and our traders as well as their supervisors in portfolio accounting and trading (including where appropriate the individuals in charge of portfolio accounting and our Head Trader). The review of these accounts is under the direction of the Portfolio Managers for the accounts managed under their respective investment strategies, both directly (through their choices of securities) and through instructions to the members of the portfolio accounting and trading operations departments (who have responsibility for maintaining all portfolios in accordance with instructions from the Portfolio Managers). The accounts of the Mutual Funds we sub-advise are reviewed daily and the reviewers (including the Portfolio Managers and our Head Trader) take into account the investment restrictions and guidelines as stated in the respective prospectuses of the Mutual Funds.

Each quarter we typically send to our clients who have directly entered into advisory contracts with us a statement with holdings, a report of account performance, and/or our quarterly market commentary. Clients can opt-out of receiving some or all of such information by contacting us or having their broker-dealer/investment adviser contact us; however, all our clients, including sub-advised clients, receive monthly (in most cases) or at a minimum quarterly statements and periodic trade confirmations for their account from their account custodians, broker-dealers, wrap program sponsors, or consultants (which are parties other than Oak Ridge). While we manage the account assets for investment, Oak Ridge is not the custodian of the client's assets and reports by Oak Ridge are not the official periodic statements of a client's account. The official periodic statements of a client's accounts are provided to the client by their actual custodian. You should review your statements individually and/or with your advisor or broker to monitor if you consider there to be any issues with the information reported (including comparison to any other source – including our information - of information about activity and holdings in their account) so as to promptly bring it to the attention of your advisers (and if applicable us) for explanation or potential correction if required.

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

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Oak Ridge has entered into, and in the future we may enter into, agreements ("solicitation agreements") with people or companies ("solicitors") who help solicit potential clients for us. We currently have one of these agreements in place. Our solicitation agreements are in writing and solicitors can include broker dealers and other investment advisors. While the specific terms of each agreement will differ, we would generally pay a solicitor's compensation based upon its efforts to help us solicit new clients and in some cases to help us retain or solicit additional investments into accounts we manage. The compensation can be determined as a fixed or set variable percentage portion of the fees covered clients pay us as investment management fees. We note that the compensation paid to the solicitors is paid by us and not by our clients and does not impact the fee rates paid by our clients to us.



The solicitation agreement in place impacts a material number of our clients and is with Pioneer Institutional Asset Management, Inc. and the agreement and its terms are described below.

### **Solicitation Agreement with Pioneer Institutional Asset Management, Inc.**

Pioneer Institutional Asset Management, Inc. (“PIAM”) is a minority (49%) owner of Oak Ridge. From time to time PIAM and its employees and representatives assist us by soliciting investment advisory business for us. PIAM would likely be considered affiliated with Oak Ridge because of its ownership interest; however, in assisting us, PIAM is acting as an independent contractor on behalf of Oak Ridge.

Under the solicitation agreement between PIAM and us, if a prospective client becomes a client of ours within most retail distribution channels (through one or more retail wrap or similar retail firm programs), we will compensate PIAM for its soliciting efforts and we have agreed to pay to PIAM, on a one-time basis, up to 0.05%, (i.e. .0005), of most assets the client starts with and adds to his or her account we manage. Under the agreement, we pay the solicitation fees to Pioneer from our own resources and those solicitation fees do not increase the advisory fees our clients pay to us.

## **Item 15 Custody**

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While we direct the trading in our clients’ separately managed accounts and Mutual Funds, we do not hold of any of our clients’ assets or securities for the accounts that we manage. Those assets and securities are all held by our clients’ independent brokers, banks or other custodians selected by those clients. These brokers, banks and custodians send account statements to their clients on a monthly or quarterly basis. You should carefully review those statements when you receive them and inquire from your broker, bank, or custodian if you do not receive statements at least quarterly. Those account statements are the official account statements of the activity and holdings in your accounts that we manage.

We send separate additional periodic account reports to some of our clients. Those reports can include information about your account from our records. We urge you to compare account statements you receive from us with those received from your broker or custodian; however, as mentioned earlier, the account statements you receive from your broker or custodian are the official record of your account since they have possession and custody of your assets.

For some of our clients we are authorized to deduct our quarterly investment management fees directly from those clients’ accounts. For this reason alone this is considered to be custody of those clients’ assets since we have the ability to remove fees from the accounts. We have procedures to monitor that we only remove the fees owed to us from those clients’ accounts. Especially if we have that ability to remove fees from your account, you should carefully review your statements to monitor that the fee amount we remove is correct and especially that we do not remove more than the fees due us.

## **Item 16      Investment Discretion**

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We accept discretionary authority to manage separately managed accounts on behalf of our clients. We also have investment discretion over the stocks to be owned by the Mutual Fund clients we sub-advise.

A client who is interested in our managing his or her separately managed account on a discretionary basis will complete a contract with us, or will direct or permit the client's broker or investment advisor to use us as an investment advisor or sub-advisor for the client's account. Either of those agreements would authorize us to manage the client's account on a discretionary basis.

As part of our account evaluation and acceptance process we review any proposed account restrictions desired by the client for the account. Each client has the ability to request that we manage their account with designated restrictions, although many clients do not request any restrictions for their account. Some examples of client restriction requests can include that we not invest in particular companies, particular industries or in companies that do not match a client's social, religious, or other beliefs. We will review whether the requested restrictions are too broad or not sufficiently specific for us to be able to implement effectively. We also consider if we believe the proposed restrictions are so extensive that they would eliminate too many stocks from the universe of what we would typically purchase for the account. If one or both of those situations were to occur and the client still wanted to maintain those restrictions, we would conclude that we could either not effectively implement the requested restrictions or the client would not be receiving sufficient value from our investment strategy (the portfolio would have too high a cash level or be much more concentrated than we would normally recommend) and we would decline to manage the account; however, in almost all cases the client restriction requests are specific and narrow enough to work with. While an account with restrictions is still considered an account over which we have investment discretion, it would likely be outside of our fully discretionary performance comparisons since we have less than full discretion.

For a portion of our advisory business we provide investment advisory services to certain unified managed account programs (UMAs) managed by broker-dealers or other investment advisers that use in part stock selection information provided by Oak Ridge via a model. We provide the information on our stock selections to the UMA firms as necessary, but usually we are not responsible for deciding whether to implement trades or all of the trades for these accounts and as such these are not considered managed on a discretionary basis. The decision on whether and to what extent to use the information provided by Oak Ridge is left, in varying degrees, to the brokerage/advisory firms. Certain UMA firms will evaluate all of a client's accounts in their program, including the account or portion of an account using our model information, in determining whether to implement changes suggested by us. We are not the sponsor of any UMA accounts and the terms of those accounts, including the fees charged to clients by the sponsors of those accounts, are not determined by us. You should consult with your advisors about any UMA program terms that apply to your account.

## **Item 17      Voting Client Securities**

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We will accept responsibility to vote the proxies for our clients' securities held in their accounts we manage when our clients or their advisors request us to do so. When we are responsible to vote our clients' proxies, we have adopted policies and procedures designed to help us vote in what we believe are our clients' best interests. When we decide what is in our clients' best interests we focus primarily on maximizing our clients' economic and financial benefit from investing in those securities. Our basic policies and procedures for administering proxy voting and deciding on how to vote are summarized as follows:

You can request that we vote proxies for stocks held in an account we manage for you. You can accomplish this when (a) your individual account contract is set up with Oak Ridge, (b) under the sub-advisory agreement between Oak Ridge and your primary investment advisor or broker, or (c) under your agreement with your primary advisor or broker covering your account that we manage. How this is accomplished depends on the type of account relationship you have with us. You can later either appoint Oak Ridge to begin voting your proxies, or revoke a prior designation for us to vote your proxies, upon written request to us at the address on the cover of this brochure. If you have any questions about how to make or change this election please contact us at the address or telephone number on the cover of this brochure.

We review each proxy and vote the shares in a way we believe conforms with our guidelines. As mentioned earlier, our guidelines are meant to focus our votes on what we believe to be the best interests of our clients, which in our opinion is primarily on the vote's anticipated impact on the value of the shares. To compare, we do not pursue matters of a primarily social issue nature with companies unless, in an unlikely case, we believe they would have a material financial impact on the stock's value. We currently use the input of an outside voting advisory service which we pay for; however, while that service is meant to provide us with additional information, analysis and advice for voting decisions, we make our own voting decisions based upon our voting policies and procedures.

We consider the quality of a company's management to be an important factor in our initial decision to invest and stay invested in a company; therefore, we typically vote with company management for routine proposals that do not change the company's structure, bylaws, or operations in a way we believe is detrimental to shareholders. For Board membership, we will usually vote for individuals nominated in an uncontested election unless we are concerned about issues that would impede the Board member's ability to perform effectively. Examples include unusual conflicts of interest, membership on too many boards given work requirements, etc.

We typically vote against proposals we believe restrict shareholders' ability to realize the full potential financial value of their stock investment. These might include poison pills, super-majority voting requirements, classified boards, etc. For non-routine matters we evaluate the issues on a case-by-case basis using the same economic focus described above. For shareholder proposals, we typically vote with company management if we believe the matter is best left to the Board or management to efficiently operate the company. We typically vote for or against certain other shareholder proposals after evaluating the impact under the other applicable categories described above. For example we would vote for a shareholder proposal to eliminate a

poison pill, or classified board, etc. All shares of a company held by accounts voted and managed by Oak Ridge will be voted alike, unless a client has given us (and we have accepted) specific voting instructions on an issue. If you want us to consider voting your shares differently for a particular stock issue please contact us at the address or telephone number on the cover of this brochure.

If at any time our proxy voting personnel become aware of any type of potential or actual conflict of interest within Oak Ridge relating to a proxy proposal, they will promptly report such conflict to our Chief Compliance Officer. Conflicts of interest will be handled in various ways depending upon the type and materiality of the actual or potential conflict. Generally, where our proxy voting guidelines address Oak Ridge's typical voting positions (as either "for" or "against" such proxy proposal), voting is in accordance with the guidelines. A situation could arise where the issue is not addressed in our guidelines, or our guidelines state that our voting position will be determined on a "case-by-case" basis. We would normally decide this using our internal evaluation of the economic benefit of the issue for shareholders. However, if the proxy issue involves a conflict of interest situation and we determine we cannot effectively internally determine how to vote on the issue due to that conflict of interest, we will do one of the following: choose to vote the proxy in accordance with the voting recommendation of a non-affiliated third party (such as an advisory voting service used by Oak Ridge), reach out to the client(s) or to a fiduciary of the client(s) to vote or request them to advise us how the proxy should be voted, or potentially abstain from voting. In some cases we might suggest the client(s) engage another party to determine how to vote if that is needed to remove the decision from us in the event of a significant conflict of interest. The method we select will depend upon the facts and circumstances of each situation and the requirements of applicable law.

We may not vote proxies in certain situations or for certain accounts, such as: (1) where we have not been given and accepted that obligation in which case we do not have the right or obligation to vote a client's proxies; (2) when a proxy is received for a client account that we no longer manage; (3) where a proxy is received for a security Oak Ridge never managed (for example a stock in an account which we sold upon starting to manage the account or which the client maintains in the account separate from our management of the account); (4) a stock which Oak Ridge no longer manages - i.e. we have sold out the position in that security and no longer have the investment basis on which to vote for clients' economic benefit since they no longer own the security; (5) in the highly unlikely event we deem the cost of voting a particular proxy exceeds any anticipated benefit to the client; or (6) in the unlikely event where the exercise of voting rights could subsequently restrict the ability of the portfolio manager to freely trade the security. In addition, if we do not receive a client's proxy until close to the date of the shareholder meeting we may, in some cases, be unable to vote the proxy (and clearly if we do not receive a client's proxy until after the date of the meeting we will be unable to vote the proxy).

A copy of our proxy voting policy including procedures is available to you upon written request made to Oak Ridge at the address on the cover of this brochure. We also keep records of proxy materials and how our clients' proxies were voted. If you want to know how we voted your proxies on matters for which we were delegated the ability to vote, that information is available also upon written request to us.

While not directly related to voting, there are some other facts you should know so you can exercise some of your important shareholder rights. A securities "class action" lawsuit is a civil suit one or more parties bring on their own behalf and on behalf of others who have the same complaint against the company which issued a security, and often against members of its management. After a class action lawsuit is filed, the people filing the suit prepare one or more written notices (a "Notice") outlining the reasons for the lawsuit, the requirements to qualify as a class-member and the legal rights to consider before becoming a class-member or participating in any outcome or settlement. A Notice may also provide instructions to the broker/dealer, custodian or nominee who holds or held the security on behalf of the owner (for example one of our clients). Those instructions ask for the Notice to be forwarded to clients or for the information needed to send Notices directly to clients. There may be additional notices later if the lawsuit is successful or settled, or for other reasons, and a notice may request the client submit information to make a claim for proceeds. Although we may at times receive copies of some of these Notices or information about a class action lawsuit, since (among other reasons) we do not and did not actually hold as custodian or record owner any securities on your behalf (we are not a custodian for any accounts), and the other parties who did hold or held the securities are responsible for this function, we typically do not forward notifications or information on these matters to you.

In addition, we do not know whether you had transactions in a security outside of the account(s) we managed during the applicable period. That information is usually needed to show overall gain or loss on a stock for that time period. Each class action also involves certain legal rights the owner must consider in becoming a member of a class under a lawsuit. As a result, we do not file claims on your behalf and that would remain your responsibility if you want to participate. However, if you notify us that you require specific transaction information for an account we managed and such information for some reason is not available from your broker or custodian, we will use our reasonable best efforts to provide you with the transaction information you need to file a proof of claim in a class action, provided that we have knowledge of that information.

## **Item 18      Financial Information**

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Not applicable.

## **Item 19      Notice of Privacy Policy**

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Protecting the privacy and security of our (Oak Ridge's) clients' and account applicants' confidential information is important to us. This notice describes practices and policies through which we maintain the confidentiality and protect the security of our clients' (and account applicants') non-public personal information.

### **What Information Oak Ridge Collects**

In the course of providing services to our clients or considering those services for potential clients, we may collect the following types of "non-public personal information" about those persons: information we receive by electronic means, mail, or telephone from our clients (or applicants to be clients) or their financial advisers on applications or other forms or statements, which may include such items as name, address, social security number, assets, income, the types and amounts of the client's investments as well as other financial, brokerage and bank account information; information about clients' transactions with Oak Ridge, its affiliates and others, as well as other account data. We may also receive information from other firms, such as those from which a client transfers (or a potential client proposes to transfer) assets or to which a client will subsequently transfer assets.

"Non-public personal information" is non-public information about our clients (and any applicants to be clients) that we obtain in connection with providing a financial service or product to them, such as the information described in the above examples.

"Affiliates" include companies related to Oak Ridge through common control or ownership. For this purpose, Pioneer Investment Management USA, Inc. and its subsidiaries and affiliates are considered our affiliates.

### **What Information Oak Ridge Discloses**

Oak Ridge does not disclose non-public information about any of its clients (or applicants to be clients) to non-affiliated third parties, except as permitted or required by law. We do not sell any personal information about our clients to any third party. Oak Ridge is permitted by law to share any of the information it collects, as described above, with its affiliates and Oak Ridge may share that information with its affiliates. In addition, in the normal course of serving clients, such information Oak Ridge collects may be shared with companies that perform various services for Oak Ridge and/or its clients such as transfer agents, custodians or client consultants, data-system service and/or back-up providers, auditors, attorneys and/or broker-dealers. These parties are to use this information only for the services for which Oak Ridge or our client(s) hired them and as allowed by applicable law.

### **Confidentiality and Security Procedures**

To protect our clients' personal information, Oak Ridge does not permit access by its service providers and employees, if any, who do not need to have such access in providing services or products to a client or in managing, administering or servicing our clients' accounts or account records, for Oak Ridge or for our clients. Oak Ridge employees are instructed to keep clients' personal and financial information confidential and not to disclose it to unauthorized persons, either during their employment with Oak Ridge or afterward. Oak Ridge maintains physical, electronic and procedural safeguards to protect the confidentiality, integrity and security of its clients' non-public personal information. Oak Ridge does not collect non-public personal information about clients on the Oak Ridge website.

Oak Ridge will continue to adhere to the privacy policies and practices in this notice even after a client's account is closed or becomes inactive.