

Item 1 – Cover Page



**Form ADV Part 2A Brochure**  
*March 31, 2020*

**OneAmerica Securities, Inc.**

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This brochure provides information about the qualifications and business practices of OneAmerica Securities, Inc. If you have any questions about the contents of this Brochure, please contact us at 877-285-3863 option 6#. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

OneAmerica Securities, Inc. is an Investment Advisor registered with the SEC. Registration of an Investment Advisor does not imply any level of skill or training.

Additional information about OneAmerica Securities, Inc. is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2– Material Changes

This Item of the Brochure will address only specific material changes that were made since the last update and provide clients with a summary of such changes. We last filed an update to our Brochure on March 29, 2019. There are no material changes to this Brochure from the previous versions.

Pursuant to SEC Rules, we will ensure that you receive a summary of any materials changes to this and subsequent Brochures within 120 days of the close of our business’s fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge. Currently, our Brochure may be requested by contacting OneAmerica Securities, Inc. at 877-285-3863 option 6#. Our Brochure is also available on our web site <https://www.oneamerica.com/financial-professionals/securities/securities>, free of charge.

Additional information about OneAmerica Securities, Inc. is also available via the SEC’s web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC’s web site also provides information about any persons affiliated with OneAmerica Securities, Inc. who are registered or are required to be registered as Investment Advisor Representatives of OneAmerica Securities, Inc.

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## Item 4 – Advisory Business

### **INVESTMENT ADVISORY SERVICES**

OneAmerica Securities, Inc. ("OAS" or the "Firm"), was incorporated on June 14, 1969 and offers investment advisory services, in accordance with the terms of an advisory or planning agreement, to individual, small business and institutional clients, including employee benefit plans, most of which it expects to be derived from its current customer base as a SEC registered broker-dealer and Financial Industry Regulatory Authority ("FINRA") member firm or from its parent company, American United Life Insurance Company ("AUL"), an Indiana insurance company. Those services principally involve suitable financial planning and discretionary asset management services in accordance with the investment objectives, guidelines and restrictions determined and developed by its clients and in some cases with the assistance of the Investment Advisor Representative ("IAR" or "advisor representative"). The Firm has a nationwide network of IARs who are typically dually registered representatives of OAS.

Due to the independent nature of the Firm's business model, advisor representatives are able to structure the services offered to clients in many different ways, all of which are dependent upon client suitability and investment objectives.

### **INVESTMENT MANAGEMENT PROGRAMS**

OAS offers investors a variety of different investment management programs, each particularly suited to individual needs. These programs are offered through an arrangement with Envestnet Incorporated ("Envestnet"), Sawtooth Solutions, LLC ("Sawtooth") and Lockwood Advisors, Inc. ("Lockwood") collectively referred to herein as "Account Managers". The Account Managers are registered investment advisors who offer investment advisory and investment management programs to the Firm's clients. For all the programs described, the Firm may provide customized investment advisory and administrative services to its clients, but it does not maintain custody of the individual funds or other assets owned by each client.

#### **Discretionary Management Programs**

OAS sponsors and offers to its clients Discretionary Management Programs through an agreement between OAS and Account Managers. OAS performs the introducing brokerage services and its advisor representatives do not have discretionary investment authority in the accounts under this program. The Account Managers have discretionary authority to supervise and direct all monies contributed by the client, but they must act in accordance with the client's

investor profile, which includes but is not limited to the consideration of liquidity needs, risk tolerance, and account objectives. Separate disclosure statements for the Account Managers are provided to the client by OAS.

Discretionary Management Programs at Envestnet and Lockwood are wrap fee programs, whereby the management fee and the administrative fee are combined. All additional costs, which include but are not limited to costs for custody, clearing, ticket charges, commissions, transactions and execution (collectively “Brokerage Fees”) charged by the clearing firm, Pershing LLC, are covered by OAS and are not incurred by the client. Pershing also charges an account maintenance fee that the client will pay on an annual basis. Discretionary Management Programs at Sawtooth may have alternate fee structures.

The wrap program has its own official disclosure document, Appendix 1, which describes all fees and services. For additional information, please refer to Appendix 1.

### **Separately Managed Account (“SMA”) Programs**

OAS sponsors and offers to its clients Separately Managed Account Programs through agreements between OAS and the Account Managers. OAS performs the introducing brokerage services and its advisor representatives do not have discretionary investment authority in the accounts under this program. Such programs include sub-accounts (“Sub-Accounts”) of the client’s account managed by registered investment advisors (“Separate Account Managers”) selected by one of the Account Managers. All Separate Account Managers are entered in sub-advisory contracts with the Account Managers. The Account Managers have discretionary authority to select the Separate Account Managers to be utilized in managing the client’s assets. The Separate Account Managers have discretionary authority to direct the investment of the assets under this program. Separate disclosure statements for the Account Managers and Separate Account Managers are provided to the client by OAS.

Separately Managed Account Programs at Envestnet are wrap-fee programs whereby the management fee and the administrative fee are combined. Brokerage Fees charged by the clearing firm, Pershing LLC, are covered by OAS and are not incurred by the client. Pershing also charges an account maintenance

fee that the client will pay on an annual basis. Separately Managed Account Programs at Sawtooth may have alternate fee structures.

The wrap program has its own official disclosure document, Appendix 1, which describes all fees and services. For additional information, please refer to Appendix 1.

### **Unified Managed Account (“UMA”) Programs**

OAS sponsors and offers to its clients Unified Managed Account Programs through an agreement between OAS and the Account Managers. OAS performs the introducing brokerage services and its advisor representatives do not have discretionary investment authority in the accounts under this program. The Account Managers have discretionary authority to supervise and direct all monies contributed by the client, but they must act in accordance with the client’s investor profile, which includes but is not limited to the consideration of liquidity needs, risk tolerance, and account objectives. Separate disclosure statements for the Account Managers are provided to the client by OAS. UMA programs include general securities, including mutual funds, Exchanged Traded Funds (“ETFs”), stocks, and bonds selected by the Account Managers based on information submitted by OAS Clients.

Under this program, the Account Managers act as a Unified Managed Account manager (“UMA Manager”). The Account Managers have arrangements with certain other registered investment advisors who have agreed to act as third party providers of research services (“Research Providers”). Under the UMA programs managed by the Account Managers, Research Providers provide the Account Managers with purchase and sale recommendations in the form of model portfolios. Generally, the Account Managers manage assets in accordance with the specific investment strategies of the Research Providers, which have been selected by the UMA Manager for use in its various UMA Programs.

Unified Managed Account Programs at Envestnet are wrap-fee programs whereby the management fee and the administrative fee are combined. Brokerage Fees charged by the clearing firm, Pershing LLC, are covered by OAS and are not incurred by the client. Pershing also charges an account maintenance fee that the client will pay on an annual basis. Unified Managed Account Programs at Sawtooth may have alternate fee structures.

The wrap program has its own official disclosure document, Appendix 1, which describes all fees and services. For additional information, please refer to Appendix 1.

### **INDEPENDENT THIRD-PARTY INVESTMENT ADVISORS**

OAS has relationships with multiple third-party money managers. The OAS IARs gather information about the client and then assist in the selection of the money manager. Additionally, the IARs monitor the activity in the account and meet with the clients to discuss results and update changes in the client's situation or objectives. OAS receives asset-based fees for referring clients to the independent investment advisors. Separate disclosure statements for independent third-party investment advisors are provided to the client by OAS.

### **FINANCIAL PLANNING**

Financial planning services offered through OAS include the creation of financial plans and consultations. Following a thorough financial review, a plan will include a detailed analysis and recommendations. Consultations are provided for specific, targeted areas and include a written statement of observations and/or recommendations.

### **EMPLOYER-SPONSORED RETIREMENT PLAN CONSULTING SERVICES**

OAS offers consulting and advisory services to employer-sponsored retirement plans. It may also assist employers by providing plan enrollment and investment education to plan participants and beneficiaries. Prior to opening a Retirement Plan account, a client profile ("Profile") must be completed by the plan sponsor ("Sponsor"). The purpose of the Profile is to collect certain information concerning plan design, plan objectives and third-party service providers.

Once the Profile is completed, OAS will deliver a copy of its Retirement Plan Consulting Agreement ("Agreement") and applicable disclosures to the Sponsor. The Sponsor must indicate the desired services in the Agreement and review the Agreement and disclosures to determine the services are necessary and the compensation is reasonable prior to executing the Agreement.

Under limited circumstances and pursuant to a written agreement, OAS will provide certain services as a fiduciary under the Employer Retirement Income Security Act of 1974, as amended ("ERISA") to employer-sponsored retirement plans. ERISA fiduciary services offered by OAS are limited to only include:

Investment Manager Selection and Monitoring Support Services:

OAS may provide recommendations and advice designed to assist the Sponsor in selecting and monitoring a discretionary “investment manager” (Manager) as defined under Section 3(38) of ERISA. The Manager, and not OAS, will be solely responsible to work with the sponsor to develop an appropriate investment policy statement (IPS) and to select and monitor the plan’s designated investment alternatives (DIAs) that are consistent with the objectives of the IPS. The Manager may also make available model asset allocation portfolios for plan participants.

In assisting the Sponsor, OAS may make recommendations that are, among other things, based upon the Manager’s style, process and investment guidelines; manager specific impact; survey data; and fee analysis. The Sponsor will have the final approval on the hiring and/or retention of any Manager recommended by OAS.

Upon request, OAS may further assist the Sponsor with collecting and evaluating information relating to the ongoing monitoring of the Manager, including the reasonableness of the Manager’s fees and to benchmark the Manager’s overall performance vis-à-vis applicable, recognized industry indices.

OAS may also provide the following administrative and/or ministerial functions to employer sponsored retirement plans, for which it will not be considered to be a fiduciary under ERISA:

Plan Governance Review and Committee Support:

OAS may assist the Sponsor with the establishment and maintenance of the plan committee and will recommend protocols designed to help the Sponsor manage and administer the plan. The sponsor is solely responsible for appointing or removing plan committee members; however, OAS may educate plan committee members about their fiduciary duties, help the plan committee coordinate regular meetings and assist the plan committee with maintaining a fiduciary audit file.

Vendor Management:

OAS may assist the Sponsor with selecting and monitoring the plan’s service providers. OAS may use third-party tools and publicly available data to assist the Sponsor with benchmarking the fees charged by a service provider. The Sponsor retains decision-making authority to select, remove and/or replace the plan’s service providers.

Employee Enrollment and Investment Education:

OAS may conduct periodic group enrollment and education meetings with employees and educational meetings with plan participants and beneficiaries. OAS will utilize standardized materials, which are consistent with “investment education” as that term is defined in



Department of Labor Interpretative Bulletin 96-1, in connection with providing Employee Enrollment and Investment Education services. Such information may include information about the benefits of plan participation, investment objectives of plan investment options, general financial and investment information, asset allocation portfolios of hypothetical individuals with different time horizons and risk profiles and interactive investment materials such as questionnaires to assess the impact of different allocations on retirement income. OAS may also provide interactive investment materials to assist participants in assessing their future retirement income needs. In providing Employee Enrollment and Investment Education services, OAS will not provide any “investment advice” as that term is defined in ERISA and will, therefore, not be acting as an ERISA fiduciary in rendering such services.

### **SELF-DIRECTED BROKERAGE ACCOUNT (“SDBA”) EDUCATION**

Where a qualified retirement plan contains a company stock or SDBA investment option, OAS shall not be required to take such investment options into account with respect to its determinations or recommendations. Plan Fiduciaries shall retain sole fiduciary responsibility with respect to such company stock or SDBA option.

## **Item 5 – Fees and Compensation**

### **FEES**

Fixed fees apply to financial plans only. Financial plans may carry a charge of up to \$10,000, depending on the complexity of the plan. Any amount over \$10,000 requires written approval from the home office. Factors such as the scope of the plan and the planning areas to be addressed, (e.g.: education planning, retirement planning, and estate planning) will be considered when determining the fee to be charged for the financial planning service. Financial planning fees are generally paid in full upon delivery of the plan or in two installments.

Consulting fees are based on an hourly rate not to exceed \$250 per hour and depend upon the nature and the scope of the consultation, as well as the nature of research required to complete the project. Prior to engagement, each client signs an agreement which provides an estimate of the total fee for services. The estimated fees are generally billed in arrears.

Asset management fees are based on a percentage of assets under management. Fees are generally calculated using the average daily balance of the account, including cash, as of the last business day of the preceding calendar quarter, and they may be paid in advance or in arrears depending on the program selected by the client. Fees are not calculated based on a share of capital gains or capital appreciation of the funds or any portion thereof. All managed accounts

are advised by the associated IAR on a non-discretionary basis. The fee is agreed upon by the IAR and the client. It is dependent on the type of account and nature of the investments selected by the client as well as the amount of assets under management. Generally, OAS and the IAR will receive between 0.40% and 2.00% of assets under management as part of the overall advisory fee charged to the client.

Depending on the program selected, the client grants OAS or one of the Account Managers the authority to receive no less than quarterly payments directly from the client's account held by an independent custodian. Upon request, OAS shall provide an accounting of the manner in which a particular fee has been calculated. The frequency of payments and the method of calculating periodic payments may vary depending upon the program selected. Typically, the annual management fee shall be determined on at least a quarterly cycle and shall be paid directly from the client's cash account balance. The fee will be determined promptly after commencement of each cycle based upon the average daily balance of the account as of the last business day of the preceding cycle.

All fees paid to OAS for solicitation services are separate and distinct from the fees and expenses charged by the Account Managers or the fees charged by mutual funds and exchange-traded fund (ETFs) to their shareholders. Account Manager fees are described in each Account Manager's ADV, and they may include brokerage fees and other fees and expenses incurred for holding certain assets in a portfolio. For example, mutual funds will generally charge a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. These charges are generally covered in an Account Manager's brokerage fees.

A client could invest in a mutual fund or ETF directly, without the services of OAS or an Account Manager. In that case, the client would not receive the services provided by OAS or the Account Manager which are designed, among other things, to assist the client in determining which fund or funds are appropriate for each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and the fees charged by OAS and the Account Manager to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

Fees for the Employer-Sponsored Retirement Plan Consulting Services are negotiable and based upon a percentage of plan assets. Sponsors may specify whether to pay the Fees directly or may authorize the plan's record keeper or custodian to pay OAS from plan assets. Sponsors may pay more or less than a client might otherwise pay if purchasing the Employer-Sponsored Retirement Plan Consulting Services separately or through another service provider. There are several factors that determine whether the costs would be more or less, including, but not

limited to, the size of the plan, the specific investments made by the plan, the number of locations of participants and the services offered by another service provider.

Annual fees are based on the market value of the Plan assets and are payable on a quarterly basis. The initial Fee may be prorated based upon the number of days remaining in the initial quarterly period from the date of execution of the Employer-Sponsored Retirement Plan Consulting Agreement, based upon the market value of the Plan assets at the close of business on the last business day of the initial quarterly period. Thereafter, the quarterly portion of the annual Fee will be based upon the market value of the Plan assets at the close of business on the last business day of the previous calendar quarter (without adjustment for anticipated withdrawals by Plan participants or beneficiaries or other anticipated or scheduled transfers or distributions of assets). If the Agreement is terminated prior to the end of a quarter, OAS shall be entitled to a quarterly fee, prorated for the number of days in the quarter prior to the effective date of termination, based on the market value of the Plan assets at the close of business on the effective date of termination.

All fees paid to OAS for Employer-Sponsored Retirement Plan Consulting Services are separate and distinct from the fees and expenses charged by mutual funds and exchange traded funds to their shareholders. These fees and expenses are described in each investment's prospectus. These fees will generally include a management fee, other expenses, and possible distribution fees. If the investment also imposes sales charges, a client may pay an initial or deferred sales charge.

If the relationship between OAS and a client is terminated prior to the end of a calendar quarter, any unearned fee paid in advance will be refunded, or fees paid in arrears will be calculated, on a pro rata basis. The investment advisory relationship between OAS and each of its clients may be terminated by either party upon written notice. A full refund will be provided should the agreement be terminated within 5 business days of the initial contract signing. Clients may terminate a financial planning contract without penalty by providing written notice of termination within 10 business days of contract signing.

OAS will neither advise nor act on behalf of the client in legal proceedings involving companies whose securities are held in the client's account(s), including, but not limited to, the filing of "Proofs of Claim" in class action settlements.

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

OAS does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

## Item 7 – Types of Clients

OAS provides portfolio management services to individuals, high net worth individuals, corporate pension and profit-sharing plans, charitable institutions, foundations, and endowments.

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

OAS, through the Investment Management Programs, uses the following methods of analysis:

<u>Charting:</u>	This is a method whereby charts that plot various past activities are used as an indicator of future possible activity.
<u>Fundamental:</u>	This is a method that uses a company's fundamental performance data as an indicator of future possible performance and its relationship to stock prices.
<u>Technical:</u>	This is a method of analysis that uses such data as stock pricing, relationships to other stocks, earnings, etc. as a method of analyzing future performance.
<u>Cyclical:</u>	This is method of analysis that uses the relationship of a certain industry's performance to other industries in order to analyze the possible future performance of the industry.

### **Investment Strategies used by through the Investment Management Programs:**

The following may be used but strategies are not limited to:

<u>Long term purchases:</u>	This strategy uses the idea whereby a long-term investment time horizon may be best used by buying and holding a security throughout market fluctuations. The strategy uses long term investment performance history as an indicator of possible future performance.
<u>Risk:</u>	The risk to this strategy is that time horizons change as client's situations change. Also, past performance

	should not be used as the sole indicator of future performance.
<u>Short term purchases:</u>	This strategy is used when the client's investment time horizon is short term or when the market is rapidly changing. This strategy uses investment performance as an indicator of possible future performance.
<u>Risk:</u>	The risk with this strategy is that past performance should not be used solely to predict future performance. Additionally, attempting to time market movement rarely proves successful and should not be used as the sole basis for investing.
<u>Short sales:</u>	Short sales are a strategy whereby the investor attempts to take advantage of a down market for either the security or the market, by selling the security with the intention of buying back the shares at a lower price in order to make a profit.
<u>Risk:</u>	The risk is that the market may not move in the right direction to make this strategy successful causing the investor to have to buy the underlying security at a price higher than the price he sold it for previously.

**Risk of Loss:**

Investing in securities involves risk of loss that clients should be prepared to bear. All the above methods have the risk that past performance does not necessarily predict or indicate of future performance. These methods should be used in conjunction with what is in the best interest of the client as determined by analyzing the client's tolerance for risk, liquidity needs, investment objectives, diversification of assets, and investment time horizon.

**Item 9 – Disciplinary Information**

With respect to disciplinary information, OAS received a censure and monetary fine in relation to a FINRA finding for late U4 amendment filings. The Firm did not admit or deny such findings and paid a monetary fine of \$20,000.

Further, OAS received a censure and monetary fine related to a FINRA finding regarding the supervision of options trades and transmittals to third parties. The Firm did not admit or deny such findings and paid a monetary fine of \$75,000.

Registered Investment Advisors are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of OAS or the integrity of OAS management.

Refer to the ADV Part 2B – Supplement Brochure, which provides specific information about an IAR.

## Item 10 – Other Financial Industry Activities and Affiliations

### **OTHER BUSINESS ACTIVITIES**

OAS is a full-service introducing Broker-dealer effectively registered with the SEC, FINRA and various state securities divisions. In this capacity, OAS is involved in the sale of various types of financial products and securities, including, but not limited to, stocks, bonds, variable annuities, indexed annuities, variable life insurance, and mutual funds. In their capacity as associated persons of the Firm, IARs spend approximately 80% of their time selling securities and managing securities business and 20% of their time providing investment advice.

In addition to being a registered broker-dealer, OAS is also a licensed insurance agency with various states.

### **OTHER FINANCIAL INDUSTRY ACTIVITIES OR AFFILIATIONS**

As stated previously, OAS is also a registered broker-dealer and insurance agency. If dually licensed as a registered representative, an OAS IAR may make individual securities recommendations to advisory clients. Individual securities transactions effected for those clients participating in OAS sponsored programs or financial planning are executed by the broker-dealer arm of OAS.

OAS is a wholly owned subsidiary of American United Life Insurance Company (“AUL”), an Indiana insurance company. OAS is also affiliated with OneAmerica Asset Management (“OAM”); a registered investment advisor with the SEC. OAM provides advisory services to certain entities related to its managing member, OneAmerica Financial Partners, Inc., unaffiliated insurance companies and a charitable organization.

OAS is also affiliated with OneAmerica Investment Advisory Services LLC (“OAIAS”); a registered investment advisor with the SEC. OAIAS provides advisory and fiduciary services as defined in Section 3(21) of the Employee Retirement Income Security Act of 1974 (“ERISA”), as amended to Plan Sponsors. Additionally, through an investment manager agreement, OAIAS may also serve as an Investment Manager, as defined in Section 3(38) of ERISA.

Consequently, OAS, OAM and OAIAS have an affiliation as members of the same consolidated group of corporations. Certain home office employees who are also registered representatives of OAS provide services on behalf of OAM and OAIAS.

To obtain full details of OAM's and OAIAS's investment advisory activities, refer to their perspective ADV Brochures available at the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) or by contacting OAM at 317-285-1877 or OAIAS at 317-285-1618.

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

Associated persons of OAS may also be associated persons of the registered broker-dealer arm of OAS and career agents with the parent company, American United Life Insurance Company. The client is advised that OAS and the IAR may be receiving a fee for investment advice as well as commissions earned on securities transactions and/or insurance products, both fixed and variable. Some of these products may be issued by AUL; others will be issued by companies with which OAS has selling agreements. Thus, a potential conflict exists between the interests of the OAS/AUL representative and the OAS client.

OAM, a registered investment adviser and affiliate of OAS, provides discretionary investment advice and management to AUL, OAS's parent company. From time to time, OAM may buy or sell securities for its clients which are the same securities as those held by OAS clients in portfolios managed by Account Managers. OAM maintains records of its purchases and sales. OAM and OAS do not share clients. All services with respect to the delivery of investment advice or management are separate and distinct.

OAS has adopted an Investment Advisor Code of Ethics ("Code of Ethics") for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at OAS must acknowledge the terms of the Code of Ethics annually, or as amended.

OAS anticipates that, in appropriate circumstances, consistent with clients' investment objectives, it will cause accounts over which OAS has management authority to effect, and will recommend to investment advisory clients or prospective clients, the purchase or sale of securities in which OAS, its affiliates and/or clients, directly or indirectly, have a position of



interest. OAS's employees and persons associated with OAS are required to follow OAS's Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of OAS and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for OAS's clients.

The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of OAS will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code of Ethics, certain classes of securities have been designated as exempt transactions, based upon a determination that these would materially not interfere with the best interest of OAS's clients. Because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between OAS and its clients.

Certain affiliated accounts may trade in the same securities with client accounts on an aggregated basis when consistent with OAS's obligation of best execution. In such circumstances, the affiliated and client accounts will share commission costs equally and receive securities at a total average price. OAS will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions will be explained on the Order.

OAS's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting OAS at 877-285-3863 6#.

It is OAS's policy that the firm will not affect any principal or agency cross securities transactions for client accounts. OAS will also not cross trades between client accounts. Principal transactions are generally defined as transactions where an advisor, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment advisor in relation to a transaction in which the investment advisor, or any person controlled by or under common control with the investment advisor, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an advisor is dually registered as a broker-dealer or has an affiliated broker-dealer.



## Item 12 – Brokerage Practices

If the client chooses one of the wrap programs through Envestnet and/or Lockwood, the client is directing OAS to serve as the broker-dealer for the account. Fees may be found at other broker-dealers that may be higher or lower than those charged at OAS.

In client directed brokerage accounts, it may not be possible for OAS to negotiate commissions or obtain best execution. OAS may aggregate purchase or sale orders ("bunching" or "blocking" trades) for more than one account where aggregating the trades appears to be potentially advantageous for each participating account (e.g., for the purpose of reducing brokerage commissions or obtaining a more favorable transaction price). OAS will aggregate transaction orders only if it believes that the aggregation is consistent with OAS's duty to seek best execution for customer trades and is consistent with the terms of the investment advisory agreement with each customer whose trades are being aggregated.

## Item 13 – Review of Accounts

The IARs conduct individual client reviews as needed. A minimum of one meeting annually is required. Meetings are requested in order to review account information and to verify all financial information and stated investment objectives are correct and up to date. The timing and nature of account reviews are dictated by a variety of factors, including contributions or withdrawals of cash from an account; a substantial change in the market value of assets under management; a client's request for tax-loss selling; a client's request for information regarding the performance or structure of an account; the performance of an account; interest rate changes; changes in the list of securities approved for purchase for a particular objective; changes necessary to rebalance the portfolio to maintain client objectives; and desired asset mix; and requirements imposed by court order or regulatory decree (if applicable).

Clients are provided with monthly statements when activity occurs and a quarterly statement from the money manager or the custodian of the account.

## Item 14 – Client Referrals and Other Compensation

OAS does not pay fees or other compensation for referrals.

OAS may receive financial support payments from sponsors of asset management programs in addition to its advisory fees under such programs. These payments may be based upon new business, rather than total assets under management. Financial support payments in connection

with these programs are intended to compensate OAS for certain marketing and other services and are based upon client assets placed in the sponsor's programs through OAS.

Financial support payments from a program sponsor generally ranges from 0.03% to 0.10% of client assets. Certain programs may make payments based upon annual sales of the program. Financial support payments are paid by the program sponsor, not the client.

OAS may retain portions of financial support payments for any valid corporate purpose, and these amounts may contribute to the overall profits of OAS. Financial support payments are generally not assessed with respect to assets held in asset management programs through qualified retirement or other accounts or plans subject to the Employee Retirement Income Security Act of 1974, as amended.

### Item 15 – Custody

OAS will not maintain custody of checks or securities. All checks for the purpose of processing transactions must be made payable to the proper fund or program custodian. The only exception to this rule is for financial planning fees which may be made payable to OAS, directly.

Stock Certificates will not be accepted and must be sent directly to OAS's custodian, Pershing, LLC. Any inadvertently received securities will promptly be returned to the client with instructions on how to proceed.

### Item 16 – Investment Discretion

OAS, or any related person, does not have authority to determine, without obtaining specific client consent, the securities to be bought or sold; the amount of the securities to be bought or sold; the broker or dealer to be used; nor the commission rates paid.

### Item 17 – Voting Client Securities

As a matter of firm policy and practice, OAS does not have any authority to and does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. OAS may provide advice to clients regarding the clients' voting of proxies.

### Item 18 – Financial Information

OAS has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has not been the subject of a bankruptcy proceeding.