

Item 1 – Cover Page

# OneAmerica Asset Management, LLC

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March 31, 2021

This Brochure provides information about the qualifications and business practices of OneAmerica Asset Management, LLC (“OAM” or “Investment Adviser”). If you have any questions about the contents of this Brochure, please contact us at (317) 285-1877. 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.

OAM is a registered investment adviser. Registration with the SEC as an investment adviser does not imply any level of skill or training.

Additional information about OAM also is 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 31, 2020. 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 its 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 Asset Management, LLC at (317) 285-1877.

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## **Item 4 – Advisory Business**

### **Description of the advisory firm**

OneAmerica Asset Management, LLC (“OAM”) is a limited liability company that was organized on October 12, 2012, under the laws of the State of Indiana. OAM succeeded to the business of a registered investment adviser, American United Life Insurance Company (“AUL”), which no longer provides investment advisory services and has withdrawn its investment adviser registration now that OAM is properly licensed and authorized to do so. OAM’s predecessor, AUL, is a stock insurance company existing under the laws of the State of Indiana. It was originally incorporated as a fraternal society on November 7, 1877, under the laws of the federal government, and reincorporated as a mutual insurance company under the laws of the State of Indiana in 1933. On December 17, 2000, AUL converted from a mutual life insurance company to a stock life insurance company ultimately controlled by a mutual holding company, American United Mutual Insurance Holding Company (“AUMIHC”). After conversion, AUMIHC issued voting stock to a newly formed stock holding company, OneAmerica Financial Partners, Inc. which is the managing member of OAM.

### **Types of advisory services**

OAM provides advisory services to: (i) certain entities related to its parent company, OneAmerica Financial Partners, Inc. (“OAFP”) (the “Related Accounts”); (ii) unaffiliated insurance companies and (iii) a charitable organization. OAM provides investment advice with respect to equity, fixed-income, derivative instruments, mortgages and money market fund investments, on both a discretionary and a non-discretionary basis. OAM manages equity investments. OAM also manages publicly and privately placed fixed income investments. OAM may enter into additional advisory relationships for these and other types of mandates in the future.

With respect to the provision of investment advice to the Related Accounts, OAM provides investment advisory services that range from fully discretionary to non-discretionary, depending on the circumstance.

With respect to the unaffiliated insurance companies, OAM makes the investment personnel of that company aware of opportunities to participate in private placement investments in which other clients of OAM are also likely to participate. The decision of whether to invest in any private placement rests with the unaffiliated insurance companies and not with OAM.

With respect to the charitable organization, OAM provides investment advice to the organization, subject to the supervision and control of the charitable organization’s Board of Directors. OAM recommends the composition of the organization’s assets, subject to compliance with an investment policy statement approved by the organization’s Board of Directors.

### **Tailoring advisory services to clients**

Advisory clients of OAM, by virtue of and subject to the agreements that advisory clients may have with OAM under which OAM provides advisory services, can impose restrictions on investing in certain securities or types of securities.

OAM assists clients in selecting other investment advisers to provide investment advice. OAM may draft and distribute a newsletter to clients and OAM personnel may attend and speak at educational workshops on subjects involving or related to investing.

### **Wrap fee programs**

OAM will not currently provide investment advice in the context of wrap fee programs.

<b>Assets Under Management (as of December 31, 2020)</b> <b>(managed by OAM)</b>		
	U.S. Dollar Amount	Total Number of Accounts
Discretionary:	28,329,704,364	5
Non-Discretionary:	167,150,272	4
Total:	28,496,854,636	9

### **Item 5 – Fees and Compensation**

The unaffiliated insurance companies for which OAM provides advisory services are billed quarterly and pay a fee of 0.075 percent of assets under management annually if the assets under management with respect to which OAM has provided investment advice meet or exceed \$2 million. If the assets under management with respect to which OAM has provided investment advice are less than \$2 million, then OAM is paid a fee equal to 0.10 percent of assets under management annually.

With respect to the Related Accounts, OAM provides some investment advisory services without charge and others at advisory fees payable in arrears of up to 0.13 percent of assets under management annually, depending on the nature of the arrangement. All fees OAM charges as an investment advisor are subject to negotiation between OAM and the respective advisory client.

With respect to the charitable organization, OAM receives no compensation.

OAM's fees are exclusive of brokerage commissions, transaction fees, and other costs and expenses, which shall be incurred by the client. Clients may incur charges imposed by custodians, brokers, third party investment advisers, service providers to funds in which the client invests and other third parties. Such charges, fees and commissions are exclusive of and in addition to OAM's fee.

Item 12 further describes the factors that OAM considers in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (e.g., commissions).

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

OAM 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**

OAM provides portfolio management services to the Related Accounts, to unaffiliated insurance companies and to a charitable organization. OAM may provide portfolio management services to other types of clients in the future.

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

Investing in securities involves risk of loss that clients should be prepared to bear. OAM employs different methods of analysis and investment strategies depending upon the advisory client and mandate.

### **Methods of Analysis**

With respect to OAM's clients that invest in private placements, each transaction is analyzed individually to determine if the credit quality is acceptable.

### **Investment Strategies**

With respect to private placement investments, OAM analyzes each prospective investment to determine its creditworthiness before recommending it to the Related Accounts or the unaffiliated insurance companies.

### **Risk of Loss**

For each strategy listed above, there are risks.

When investing in equity assets, the primary material risks are:

- 1) Market risk
- 2) Capitalization risk
- 3) Issuer risk
- 4) Style risk
- 5) Manager risk

When using an income approach, the primary material risks are:

- 1) Market risk
- 2) Interest rate risk
- 3) High-yield risk
- 4) Style risk
- 5) Credit risk

- 6) Manager risk
- 7) Prepayment risk
- 8) Issuer risk

When using a multi-capitalization approach or a defensive approach, the material risks are:

- 1) Market risk
- 2) Capitalization risk
- 3) Issuer risk
- 4) Style risk
- 5) Manager risk

When using a multi-strategy approach, the material risks are:

- 1) Market risk
- 2) Interest rate risk
- 3) High-yield risk
- 4) Style risk
- 5) Credit risk
- 6) Manager risk
- 7) Prepayment risk
- 8) Issuer risk
- 9) Foreign Investment risk
- 10) Derivatives risk
- 11) Portfolio turnover risk
- 12) Mortgage and asset-backed securities risk

When investing in private placements, the primary material risk is credit risk. Frequent trading in an investment portfolio can negatively impact investment performance, through increased brokerage and other transaction costs. The investment styles used by OAM will typically result in lower portfolio turnover. OAM's strategies generally will not involve frequent trading of securities.

### **Description of Risks**

- 1) Market risk – the risk that changes in interest rates, market conditions, investor confidence or announcements of economic, political or financial information will affect the value of securities.
- 2) Interest rate risk – the risk that changes in interest rates will affect the value of investments or cause the investments to earn less interest than is currently available from other investments.
- 3) High-yield risk – the risk that the liquidity of specific issuers or industries within a particular investment category may be diminished or disappear suddenly and without warning; high yield bonds generally have more credit risk than other bonds.
- 4) Style risk – the risk that, at any time, the market does not favor a particular investment style.

- 5) Credit risk – the risk that changes in financial strength, or perceived financial strength, of a company may affect the value of its securities and its ability to make payments of interest and principal.
- 6) Manager risk – the risk that an investment manager’s selection of securities may cause the investment portfolio to underperform other investment portfolios or benchmarks.
- 7) Prepayment risk – the risk that investments in fixed income securities may be paid off sooner than expected, thereby causing the investor to have to reinvest at less favorable rates.
- 8) Capitalization risk – the risk that, during an overall stock market decline, stock prices of small or medium-capitalization companies often fluctuate more and may fall more than stock prices of larger-capitalization companies.
- 9) Issuer risk – the risk that the value of a security may decline for a number of reasons which directly relate to the general economic or political conditions or to the issuer.
- 10) Foreign Investment risk – the risk that investments in securities issued by foreign companies may pose a greater degree of risk due to factors and circumstances that exist in those foreign countries.
- 11) Derivatives risk – the risk that investing in derivative instruments may involve risks different from, or greater than, the risks associated with investing directly in securities or other traditional investments, including market risk, interest rate risk, credit risk, potential illiquidity and difficulty in valuation.
- 12) Portfolio turnover risk – the risk that actively traded portfolios may cause brokerage and other transaction costs, as well as taxes, to increase, thus decreasing performance.
- 13) Mortgage and asset-backed securities risk – the risk that investment in these types of securities may decline in value when defaults on the underlying mortgage or assets occur and they may exhibit additional volatility in periods of changing interest rates.

#### **Item 9 – Disciplinary Information**

This item requires OAM to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of OAM or the integrity of OAM’s management. OAM does not have any matter(s) to report with respect to this Item.

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

The following individuals, who provide services on behalf of OAM and are involved in the activities of OAM as an investment advisor, are also registered representatives of OneAmerica Securities, Inc., a SEC registered broker-dealer that is wholly owned by AUL, a company under common ownership with OAM:

Steve Holland  
Kyle James

OAM is a limited liability company and all employees listed above are also employees of AUL, a life insurance company whose main business involves the sale of life insurance and annuity



products. With respect to the employees listed above, their job duties, in varying degrees, relate to OAM's business as an investment advisor.

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

OAM has adopted a Code of Ethics (the "Code") for supervised persons of the firm that 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 OAM must acknowledge the terms of the Code of Ethics annually.

OAM's supervised persons are required to follow OAM's Code of Ethics. The Code of Ethics is designed to provide assurances that the personal securities transactions, activities and interests of these persons will not interfere with making and implementing decisions in the best interest of advisory clients while, at the same time, allowing personnel to invest for their own accounts. In this regard, OAM permits its supervised persons to invest in the same securities as clients, which involves a potential conflict of interest, given that such persons may, in some circumstances, have the opportunity to trade their personal accounts in a manner designed to benefit inappropriately from market movements caused by client trading in the securities. The Code of Ethics has certain provisions designed to address this conflict of interest. Under the Code of Ethics, "access persons" of OAM (as described in the Code of Ethics) may not, except in certain circumstances, trade for their own accounts in securities which are being purchased or sold, or considered for purchase or sale, for OAM's clients. In addition, the Code more broadly restricts trading by certain personnel in close proximity to client trading activity. Such trading is regularly monitored under the Code of Ethics. OAM's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting the OAM Chief Compliance Officer at 317-285-1880.

Certain affiliated accounts of OAM may trade in the same securities with client accounts on an aggregated basis when consistent with OAM's obligation of best execution. This practice could present a conflict of interest, to the extent that OAM is presented with the opportunity to advantage its affiliated accounts in a manner that was to the detriment of the client accounts (e.g., by allocating favorable trade prices to the affiliated accounts). OAM has adopted procedures designed to address this conflict and provide for all accounts to be treated fairly. In situations where trades are aggregated, the affiliated and client accounts will share commission costs pro rata and receive securities at a total average price. OAM 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 normally will be allocated on a pro rata basis. Exceptions that are not self-evident will be explained on the order.

### **Item 12 – Brokerage Practices**

OAM may use research services for clients other than the client on whose behalf the research was actually earned.

Transactions in securities generally involve payment of a fee or incurring an expense, which is a client obligation. Equity transactions typically involve the payment of brokerage commissions. Such commissions may be negotiable and may vary among different brokers. Also, a particular broker may charge different commissions according to such factors as the difficulty and size of the transaction. There is generally no stated commission in the case of fixed-income securities, most of which are traded in the over-the-counter markets, but the price paid by a client usually includes an undisclosed dealer commission or mark-up. In underwritten offerings, the price paid by a client includes a disclosed, fixed commission or discount retained by the underwriter or dealer.

OAM may place orders for the purchase and sale of equity securities for a client through multiple broker-dealers. In executing transactions, OAM will attempt to obtain the best execution taking into account such factors as price (including the applicable brokerage commission or dollar spread), size of order, the nature of the market for the security, the timing of the transaction, the reputation, experience and financial stability of the broker-dealer involved, the quality of the service and the difficulty of execution and operational facilities of the firms involved. In effecting purchases and sales of securities for the account of a client, OAM may pay higher commission rates than the lowest available when OAM believes it is reasonable to do so in light of the value of the brokerage and research services provided by the broker-dealer effecting the transaction, as described below.

While it is conceivable that in certain instances these procedures could adversely affect the price or number of shares involved in a particular transaction, it is believed that these procedures generally contribute to better overall execution of portfolio transactions. This method of allocating trades to broker-dealers, and the results of such allocations, are subject to periodic review by OAM.

For many years, it has been a common practice in the investment advisory business for advisors of investment companies and other institutional investors to receive research services from broker-dealers which execute transactions for the clients of such advisors. Consistent with this practice, OAM may receive research services from broker-dealers with which OAM places portfolio transactions. These services, which in some cases may also be purchased for cash and may be generated either by the broker-dealers providing execution or third party research providers, include such matters as general economic and security market reviews, industry and company reviews, investment software and databases, evaluations of securities, and recommendations as to the purchase and sale of securities. Some of these services may be of value to OAM in advising its various clients, although not all of these services are necessarily useful and of value to all clients; OAM does not have a formal policy of seeking to allocate soft dollar benefits to client accounts proportionally to the soft dollar benefits generated by the accounts. The fees paid by clients are not reduced because OAM and their affiliates receive such services, meaning that OAM may be deemed to receive a benefit to the extent that it receives research without having to assume the expense of producing or purchasing the research with its own funds. This means that OAM may be deemed to have an incentive to select broker-dealers based on its interest in receiving research and other products and services, rather than on its clients' interest in receiving the most favorable execution.

As permitted by Section 28 (e) of the Securities Exchange Act of 1934, OAM may cause clients to pay a broker-dealer, which provides “brokerage and research services” (as defined in that Act) to OAM, an amount of disclosed commission for effecting a securities transaction in excess of the amount of commission which another broker-dealer would have charged for effecting that transaction.

OAM does not have a formal procedure to direct client transactions to a particular broker-dealer in return for soft dollar benefits. Rather, OAM seeks best execution and often receives soft dollar benefits from the broker-dealer offering best execution. In some circumstances, OAM may direct transactions to particular broker-dealers in order to meet certain levels so that specific soft dollar benefits can be realized from those broker-dealers, although OAM does not enter into any contractual obligations with broker-dealers to do so.

In the most recent fiscal year, OAM received the following soft dollar products and services:

- Portfolio management and analysis
- Investment data
- Chart service
- Technical software
- Socially responsible database information
- Real time pricing
- Company research

Item 11 describes OAM’s procedures for aggregating the purchase or sale of securities for client accounts.

### **Item 13 – Review of Accounts**

All of OAM’s clients are institutional investors. OAM will monitor the mix of investments in client accounts on a regular basis, and in accordance with client requests as appropriate.

Such reviews will be conducted by the following individuals in relation to their respective investment responsibilities:

David M. Weisenburger, CFA, Vice President

Michael I. Bullock, CFA, Vice President

Reviews of investment transactions for all accounts other than those of unaffiliated insurance companies generally will be conducted on a monthly basis and reports will be provided on a quarterly basis. These reports may include investment allocations by industry sector, percentage of such allocations, the largest holdings in a portfolio of a particular client, total number of holdings, market capitalization weightings for an investment portfolio, as well as commentary about the investment portfolio and its holdings in the most recent quarter.

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

Registered investment advisers are required to disclose facts regarding any compensation the adviser receives from others in connection with the provision of its advisory services or compensation the adviser pays for client referrals. OAM will not engage in these practices.

## **Item 15 – Custody**

Where applicable, clients should receive at least quarterly statements from the broker-dealer, bank or other qualified custodian that holds and maintains client's investment assets. OAM urges investors to carefully review such statements and compare such official custodial records to the account statements that OAM may provide. OAM's statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

## **Item 16 – Investment Discretion**

Where OAM receives discretionary authority, it will likely receive it from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. Discretionary authority is conveyed via an agreement between OAM and the client. When selecting securities and determining amounts, OAM will observe the investment policies, limitations and restrictions of the clients for which it advises.

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

To the extent any client portfolio includes voting securities, OAM will be confronted with proxy voting decisions. OAM is intent on protecting the rights and value of investments of its clients, and it plans to vote all proxy proposals where the client has delegated voting authority in such a manner to achieve these goals. It is the intent of OAM that proxy proposals are voted in such a manner that enhances the long-term viability of the companies held in client accounts while also being in the best interest of OAM's clients.

OAM will provide a copy of its Proxy Policies and Procedures to clients upon request. Clients may also request information regarding how OAM voted proxies relating to a portfolio of securities during the most recent twelve (12) month period ended June 30. This information is available without charge, upon request, by calling the Customer Care Center at 800-537-6442.

OAM will be responsible for overseeing the proxy voting process. Its responsibilities will include determining potential conflicts of interest, voting the proxies, and maintaining records and proxies voted.

## **Procedures**

**Client Direction.** OAM, when the advisory contract calls for it, or if OAM is otherwise directed, will vote as instructed by the client.

## **Process of Voting Proxies**

**Transmit Proxy to the Advisor.** When OAM receives a proxy statement from a company whose voting securities are held in a client account, the proxy materials will be handled by the investment manager of OAM.

**Conflict of Interest.** Each proxy will be reviewed by OAM to assess the extent to which there may be a material conflict between OAM's interests or the interests of any affiliated party of OAM and the interests of a client. In the event that a material conflict arises, OAM will either:

- a. Disclose such conflict of interest to its client and obtain ratification from the client after voting the proxy; or
- b. Vote such proxy based upon the recommendations of an independent third party, such as a proxy voting service.

In the event a proxy vote presents a conflict between the interests of a client, an affiliated person of OAM, or OAM, all such conflicts will be documented. Any material conflicts of interest that arise must be resolved in the best interests of OAM's clients.

**Vote.** Generally, all proxies of an individual company will be voted in a similar manner. All proxies will be voted and returned to the designated shareholder services company in a timely manner, upon receiving them.

**Review.** Typically, most proxies contain a combination of issues presented by either corporate management or individual shareholders. OAM will review proposals from corporate management and individual shareholders and determine, to the best of its ability, how each proposal will affect the viability of the company and the interests of its shareholders. Generally, shareholder interests are enhanced when a company adopts proposals that can further strengthen its business operations, while maintaining corporate integrity. All proposals will be reviewed from a long-term investment perspective.

When voting proxies, OAM will likely find proposals that are similar among various holdings. However, care will be taken so that each proposal is reviewed on its own merits. Slight nuances in the wording or content of the proposal could alter the ultimate voting decision.

**Abstention.** Generally, OAM will not vote proxies in abstention.

**Compliance Oversight.** The Chief Compliance Officer of the Investment Adviser will periodically reconcile some or all proxies received against holdings on the record date of client accounts over which the Adviser has voting authority to ensure that all voting securities held on the record date, and for which a voting obligation exists, are voted.

**Item 18 – Financial Information**

Registered investment advisers may be required in this Item to provide you with certain financial information or disclosures about their financial condition. OAM has no such obligation, as it has no financial commitment that is reasonably likely to impair its ability to meet contractual and fiduciary commitments to clients and has not been the subject of a bankruptcy proceeding.