

Customer Relationship Summary

1. Introduction

The O.N. Equity Sales Company ("ONESCO") is a Securities and Exchange Commission ("SEC") registered broker-dealer. ONESCO is also a member of the Financial Industry Regulatory Authority ("FINRA") and the Securities Investors Protection Corporation ("SIPC"). ONESCO offers securities through its financial professionals on a transaction basis. Financial Professionals registered with ONESCO are paid a fee, generally referred to as a commission, on executed transactions.

The ON Investment Management Company ("ONIMCO") is a subsidiary of ONESCO and a Securities and Exchange Commission ("SEC") registered investment advisor. ONIMCO offers advisory services through its Financial Professionals on an asset-based fee basis. These fees are paid to the Financial Professional, generally on a quarterly basis from the assets held within the account. ONIMCO also offers financial planning on a negotiated, or fixed, fee basis.

Transaction-based and advisory-based services and fees differ and it is important for you to understand the differences. Free and simple tools are available to research firms and financial professionals at the Commission's investor education website, Investor.gov/CRS, which provides educational materials about broker-dealers, investment advisers, and investing.

2. What investment services and advice can you offer me?

ONESCO's Financial Professionals offer a variety of products and services; including recommendations to buy or sell products such as mutual funds, variable annuities, fixed index annuities, and alternative investments held directly with the offering sponsors. ONESCO's Financial Professionals also offer recommendations to buy or sell products such as stocks, ETFs, mutual funds, bonds, options, UITs, and certain structured products with a brokerage account held at Pershing LLC.

ONIMCO's Financial Professionals ("IARs") offer financial planning services and investment advisory programs. Services include comprehensive, modular, or specialized (fixed fee) financial planning. Investment advisory programs include third-party managed accounts, IAR-directed accounts and retirement plan advisory services.

In addition, both ONESCO and ONIMCO Financial Professionals can assist with the development or execution of an investment strategy or offer advice related to the type of account registration to open. Financial Professionals offer many types of accounts to suit your needs, including individual, joint, retirement (IRA and Roth), Trust, Estate, 529 College Savings, UTMA, UGMA, Corporate (C-, S-, LLC, Partnership), 401(k), 403(b), 457, Profit Sharing, etc.

ONESCO's Financial Professionals' responsibilities do not generally extend to routine monitoring of established accounts or holdings. ONIMCO's Financial Professionals monitor accounts periodically and are required to meet annually with you to review your investment objectives.

ONESCO's Financial Professionals are not permitted to engage in discretionary activity. You, the retail investor, must make the ultimate decision regarding the purchase and sale of investments.

ONIMCO's Financial Professionals have discretionary activity over IAR-directed accounts; Portfolio managers have discretionary authority over third-party managed accounts. You may select an ERISA fiduciary to exercise discretion over retirement advisory accounts.

Depending on the particular securities licenses they hold, your Financial Professional may not be able to offer you all of the products or services listed above.

ONESCO and ONIMCO product offerings are not limited to proprietary products, or a limited menu of products.

Although ONESCO does not generally impose an account minimum in order to open an account or establish a relationship, product sponsors offered by ONESCO Financial Professionals impose a minimum investment in order to open an account.

ONIMCO accounts do impose a minimum investment in order to open an account. The amount varies depending on the type of account and manager selected.

Conversation Starters (The questions below are being provided for you to ask your Financial Professional)

Q1. *Given my financial situation, should I choose an investment advisory service? Should I choose a brokerage service? Should I choose both types of services? Why or why not?*

Q2. *How will you choose investments to recommend to me?*

Q3. *What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?*

For Additional Information

Visit www.ONESCO.net/Disclosures to view ONESCO's Regulation Best Interest Disclosures or ONIMCO's Form ADV documents.

3. What fees will I pay?**Transaction-Based through ONESCO**

You typically will pay a commission, markup or markdown to buy and sell products such as stocks, ETFs, bonds, and options. You will pay an upfront sales charge to purchase UITs or structured products. Mutual funds offer multiple share class options, most typically A, B, and C shares. You typically will pay an upfront sales charge to purchase A-share mutual funds, B-share mutual funds typically contain a "contingent deferred sales charge" ("CDSC") that is charged if the fund is sold within a prescribed time period (typically 6-7 years), and C-share mutual funds typically contain a 1% CDSC charge for the first year after purchase. B- and C-share mutual funds typically do not include an upfront sales charge. You will not pay an upfront commission to purchase an annuity (variable or fixed index); annuities contain on-going fees and contain a surrender charge if you surrender all, or part, of the annuity prior to the completion of the surrender period. You will pay an upfront commission to purchase an alternative investment (REIT, BDC, LP, Interval Fund, Reg D).

In addition, certain products include internal fees such as administrative, management, mortality expenses, etc. These fees are generally charged against the net value of the holding and often pay a trail commission amount to the Financial Professional and to support the marketing and administrative efforts of the broker dealer. Certain products contain higher upfront fee and lower on-going internal fees or vice versa. For instance, an A-share mutual fund may include a 5.75% upfront sales charge, but a lower on-going 12b-1 internal fee while a C-share mutual fund has a 0% upfront fee and a higher relative on-going internal fee. A variable annuity with relatively lower internal on-going fees typically will have a longer surrender period and higher surrender charges than a variable annuity with relatively higher internal fees.

ONESCO Financial Professionals offer brokerage accounts held through Pershing, LLC. Brokerage accounts can hold a variety of investment products including: stocks, ETFs, bonds, mutual funds, UITs, alternative investments, options, etc. You typically will pay a ticket charge for trading transactions involving stocks, ETFs, mutual funds, options, UITs, and other equity products such as rights or warrants. In some case you will pay a ticket charge for bond transactions, although your Financial Professional in other cases will impose a markup or markdown (i.e. charge a percentage of the bond price as a commission). Markups and markdowns do not typically exceed 2% of the bond price.

Examples of other fees imposed within a Pershing brokerage account include, but are not limited to: inactivity fee, annual custodial maintenance of retirement accounts, retirement account termination fee, returned checks, dividend reinvestment, paper statements and confirms, copies of old statements. Your Financial Professional can provide a full listing of all fees associated with a Pershing brokerage account.

Potential conflict associated with transaction-based investments

Various securities offered by ONESCO offer breakpoint discounts; these breakpoint thresholds typically differ among product sponsors and products. Breakpoints allow you to pay a decreased upfront fee to purchase a product based the on the amount of assets invested. Failure to achieve the highest possible discount may result in additional compensation to the ONESCO Financial Professional.

ONESCO Financial Professionals sometimes recommend a replacement of one variable annuity with another. In most cases, Financial Professionals receive a commission for the sale of a replacement variable annuity. Replacement transactions sometimes result in the loss of existing benefits, new surrender charges and increased fees depending on the characteristics of the replaced variable annuity compared to the recommended variable annuity.

You would be charged more when there are more trades in your account, and therefore your Financial Professional has an incentive to encourage you to trade often.

Fee-Based through ONIMCO

The fee you will pay for Comprehensive Financial Planning and Modular Planning varies based upon the complexity of your financial position as well as the complexity of your financial objectives. The fee shall not generally exceed \$5,000.00 unless an ONIMCO Home Office Review Principal has reviewed the specific circumstances and authorized its IAR to charge a higher fee.

The fee for Specialized Financial Services provided on an hourly basis are disclosed in writing on the Client Advisory Agreement and cannot exceed \$350/hr. or \$5000/year unless an ONIMCO Home Office Review Principal has specifically authorized the IAR to charge a higher fee. The hourly rate and the estimated number of hours needed to complete the requested service will be disclosed in writing through the Client Advisory Agreement prior to engaging in the service. The number of hours needed to complete the plan will vary based upon the complexity of the request.

Specialized Financial Services provided on a fixed basis are based on a pre-negotiated fee for an agreed upon time period. The fee cannot exceed \$5000/year unless an ONIMCO Home Office Review Principal has specifically authorized the IAR to charge a higher fee. The time period for the relationship cannot exceed one year unless renewed. The fixed fee will vary based upon the complexity of the request.

Fees for Investment Advisory Programs are deducted directly from your account quarterly and are based upon the market value of the assets within the account. Direct billing of fees is not available. The fees deducted from the account are used to compensate the program sponsor, professional money managers (if applicable), the account custodian, ONIMCO, and the IAR. The IAR's portion of the fees for the managed

account programs are negotiable and can be adjusted at the discretion of the individual IAR. IARs typically charge between .30% - 1.50% annually. This is not inclusive of all fees. Additional advisory fees are charged depending upon the Third Party Adviser selected. Please refer to the ADV Part 2 of the specific Third Party Adviser for their specific fee schedule. The advisory fee typically will be deducted from the account by the custodian and paid either quarterly in arrears or quarterly in advance depending upon the advisory program. ONIMCO clients with similar account size might not pay the same fee. Similar services are available from other investment advisory firms for fees which are lower than, equal to, or higher than ONIMCO's fees. Depending upon the Third Party Adviser, additional fees apply for items such as custody and recordkeeping, annual account maintenance, or closing an account.

The advisory fee does not include any investment management or other fees and expenses charged by the ETFs and/or mutual funds in which the accounts may be invested, all of which are fully disclosed within the ETFs and/or mutual funds prospectus. More specifically, portfolio managers offering mutual funds and ETFs pass their internal transaction and execution cost on to the shareholders of their funds. Such investment companies also pass the cost of compensating their management/research personnel, as well as the cost of other internal administrative services, on to the shareholder. In addition, some portfolio managers pay 12b-1 service fees, distribution fees, recordkeeping fees, and/or shareholder accounting fees to custodians and broker-dealers, which offer such funds to the clients. These fees reduce the net asset value of mutual fund/ETF shares, and are thus indirectly borne by fund shareholders, including clients of ONIMCO who may hold such investments. ONIMCO Investment Advisers using the adviser directed APM and UMA accounts have access to and are instructed to utilize the most cost effective classes available and feasible considering the funds minimums. All third party and advisor directed accounts that utilize mutual funds paying 12b-1 fees will automatically direct those payments back into the client's account. ONIMCO conducts periodic reviews of the mutual fund share classes available through each custodian and to the extent possible will convert client holdings to a lower cost share class where available. For specific information regarding these fees please consult the fund's prospectus.

Potential conflict associated with transaction-based investments

Your financial plan could recommend products or services offered by your Financial Professional either on a commission or fee basis. Such recommendations likely would result in compensation to the Financial Professional.

ONIMCO has a conflict of interest with respect to the selection and retention of those mutual funds to choose those funds or share classes over other funds or share classes that do not make revenue sharing payments or make lower revenue-sharing payments, since doing so results in a higher compensation to ONIMCO. Revenue-sharing payments ONIMCO receives is material and is used to offset other costs for providing an advisory platform such as trading costs, prospectus fees, statement and confirm fees, printing and mailing costs of quarterly performance reports among other costs. ONIMCO does not share revenue-sharing payments with its IARs.

Conversation Starters (The questions below are being provided for you to ask your Financial Professional)

Q1. Help me understand how these fees and costs might affect my investments

Q2. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?

What are your legal obligations to me when providing recommendations? How else does your firm make money and what conflicts of interest do you have?

When we provide you with a recommendation as your broker dealer or act as your investment adviser, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the recommendations we provide you. Here are some examples to help you understand what this means.

Potential conflict

ONESCO maintains a payout grid for Financial Professional compensation. The grid allows for the percentage of dealer concession paid out to the Financial Professional for each sale. ONESCO's grid ranges from 50% payout of received dealer concession to 92% of received dealer concession. The particular payout percentage received by the Financial Professional is determined by the amount of production (or sales) performed by the Financial Professional. Financial Professionals can increase the percentage of dealer concession received by increasing their amount of production.

Conversation Starters (The question below is being provided for you to ask your Financial Professional)

Q1. How might your conflicts of interest affect me, and how will you address them?

How do your Financial Professionals make money?

ONESCO Financial Professionals are compensated for recommendations made to you which result in the sale of products. The amount and type of compensation may vary depending on the product that you purchase. Product sponsors offer upfront commissions based upon a commission schedule. The actual amount your Financial Professional receives from any particular recommendation will vary depending on the product sold and the contractual payout percentage between ONESCO and the Financial Professional. Financial Professionals also receive trail commissions for some products as an on-going payment based on the amount of assets held in the product. Trail commissions vary depending on the product purchased and are set forth on the applicable commission schedule.

