

Regulation Best Interest Disclosures

Costs and fees *(Please refer to the product prospectus or other product offering documents for more complete information related to costs and fees)*

Mutual funds

Mutual funds are most commonly offered in 3 share classes, A, B, and C. Each share class has unique characteristics. A-shares contain an upfront charge of up to 5.75% of the investment; this percentage decreases if you invest more money, referred to as breakpoints. B-shares have no upfront charge, but do contain a Contingent Deferred Sales Charge ("CDSC") that decreases over time (typically 6-7 years). C-Shares also have no upfront charge, but contain, generally, a 1% CDSC for the first year.

In addition, an administrative and management fee (commonly referred to as a 12b-1 fee) will be deducted from the value of your mutual fund holding annually. On-going fees are generally charged annually against the net value of a holding and are designed to pay the trail amount to the Financial Professional and support the marketing and administrative efforts of the broker dealer. B- and C-shares generally have higher on-going administrative and management fees than A-shares.

A-shares are generally considered to be the cheapest alternative for the long term; C-shares are considered to be the most suitable alternative for a short holding period.

Pershing, LLC imposes an additional 'ticket charge' of \$10-\$45 for mutual funds orders placed in brokerage accounts in addition to application front-end sales charges.

Potential conflict related to mutual fund recommendations

Various securities offered by ONESCO offer breakpoint discounts; these breakpoint thresholds typically differ among product sponsors and even specific funds. Most mutual fund breakpoints begin at \$25,000 invested within the same fund family, but some funds provide the initial breakpoint at \$50,000 within the same fund family. Failure to achieve the highest possible discount typically will result in additional compensation to the ONESCO Financial Professional.

Variable annuities

Variable annuities are long-term tax-deferred investment vehicles issued by an insurance company. Typically variable annuities do not carry an upfront fee, but do charge a number of internal, on-going fees. These include the annual asset-based contract charges, rider charges (if applicable), contract fees and the fees associated with the underlying subaccounts selected. In addition, variable annuities contain surrender charges which typically decline annually.

Generally, variable annuities contain a surrender period of 5-9 years; if you surrender the policy during this period you will be charged a surrender fee ranging from 6% to 9% of the surrender value of the policy.

Your ONESCO Financial Professional will delineate associated fees, including the surrender provisions, via the ONESCO Variable Annuity Disclosure (ONESCO-23).

Potential conflict related to variable annuity recommendations

ONESCO Financial Professionals are permitted to recommend a replacement of one variable annuity with another. In most cases, Financial Professionals receive a commission for the sale of the replacement variable annuity. Replacement transactions can result in 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.

Fixed index annuities

Fixed Indexed Annuities ("FIA") are long-term tax-deferred accumulation products, issued by an insurance company. Typically FIAs do not carry an upfront fee, but charge a variety of internal, on-going fees. These include the asset-based contract charges, rider charges (if applicable) and contract fees. In addition, FIAs contain surrender charges which typically decline annually.

Generally, FIAs contain a surrender period of 5-10 years depending on the term of the FIA; if you surrender the policy during this period you will be charged a surrender fee ranging from 7% to 10% of the surrender value of the policy.

Your ONESCO Financial Professional will delineate associated fees, including the surrender provisions, via the ONESCO Indexed Annuity Disclosure (ONESCO-69).

Potential conflict related to fixed indexed annuity recommendations

ONESCO Financial Professionals are permitted to recommend a replacement of one FIA with another or recommend a replacement of an investment product to a FIA. Your Financial Professionals will receive a commission for the sale of a replacement FIA. Replacement transactions can result in loss of existing benefits, new surrender charges and increased fees depending on the characteristics of the replaced FIA or investment product compared to the recommended FIA.

Alternative investments

Alternative investments are financial assets that do not fall into one of the conventional asset classes. Appropriately licensed ONESCO Financial Professionals are permitted to offer Real Estate Investment Trusts (REITs), Business Development Corporations (BDCs), Limited Partnerships (LP), Interval Funds, and certain Reg D offerings. Alternative Investments are generally illiquid and in many cases are difficult to value.

Direct Participation Programs (REITs, BDCs, LPs) contain a sales load and offering fees may not exceed 15%, as mandated by FINRA, which includes asset management fees that range from .50% to 1.6%, although calculation methods vary widely among programs. Some DPPs charge additional fees for various transaction types and some sponsors are eligible for additional performance-based compensation; typically 10% to 25% after shareholders have received a certain stated return.

Pershing, LLC imposes an additional fee to hold some alternative investments in brokerage retirement accounts; these include subscription (\$50), redemption (\$50), re-registration (\$50), and annual administration (\$125) fees. In addition, Pershing imposes a fee of \$35 per year per position to hold some alternative investments in a brokerage retirement account.

Interval Funds are a special type of closed-end investment company, which is generally considered an alternative investment because of its underlying holdings. Interval funds are permitted to invest in a variety of credit, debt, real estate, hedge fund, institutional-type managers, and other securities. Their share price is based on a daily calculated NAV, and they offer limited liquidity at certain predetermined time intervals. Interval funds have multiple shares classes available and you will pay an upfront sales charge of up to 5.75%. Interval funds also contain internal management fees, charged annually, of between 3% and 4.5% of the fund's net asset value.

Reg D securities are offered under a special provision of the SEC that does not require full registration under the Securities and Exchange Act of 1933. Reg D programs are only available to accredited investors and may not be solicited or advertised to the general public. Fees associated with Reg D products vary widely. Your Financial Professional will provide a summary of any fees associated with your Reg D purchase.

Potential conflict related to alternative investment recommendations

Various securities offered by ONESCO offer breakpoint discounts; these breakpoint thresholds typically differ among different product sponsors. Most DPP breakpoints begin at \$500,000 invested within the same product sponsor. Failure to achieve the highest possible discount will typically result in additional compensation to the representative.

Unit investment trusts

A unit investment trust (UIT) is an investment company that offers a fixed portfolio, generally of stocks and bonds, as redeemable units to investors for a specific period of time. UITs typically charge an upfront sales charge ranging from 1.5% to 3% and an on-going Creation and Development Fee of \$.05 to \$.07/per unit.

Pershing, LLC imposes an additional 'ticket charge' of \$25-\$35 for UIT buy and sell orders placed in brokerage accounts.

Potential conflict related to unit investment trust recommendations

Various securities offered by ONESCO offer breakpoint discounts; these breakpoint thresholds typically differ among different product sponsors and even specific UITs. Most UIT breakpoints begin at \$50,000 invested within the same product sponsor, but some UITs provide the initial breakpoint at \$100,000 within the same product sponsor. In addition, in order to qualify for UIT breakpoints only investments transacted on the same day, with the same Financial Professional typically qualify for aggregation. Failure to achieve the highest possible discount will typically result in additional compensation to the Financial Professional.

Brokerage services

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. Trading transactions occurring in Pershing brokerage accounts are typically assessed a ticket charge; Financial Professionals do not receive any portion of the ticket charge as compensation.

The ticket charges for equity and ETF transactions is either \$25 (placed electronically) or \$35 (placed through trade desk) for the first 1,000 shares and an additional \$10 for each additional 500 shares. Your Financial Professional is permitted to impose an additional commission charge based on the number of shares purchased and the share price.

The ticket charge for bond transactions is \$50 to buy or sell. Alternatively, your Financial Professional is permitted to 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.

Ticket charges for mutual fund transactions range from of \$10-\$45 for mutual funds orders placed in brokerage accounts in addition to any applicable front-end sales charges.

The ticket charges for option transactions is either \$25+\$1/per contract (placed electronically) or \$35+\$1/per contract (placed through trade desk). Your Financial Professional is permitted to impose an additional commission charge based on the number of contracts purchased.

Examples of other fees imposed within a Pershing brokerage account include, but are not limited to: inactivity fee (\$50/yr.), annual custodial maintenance of retirement accounts (\$43.50/yr.), retirement account termination fee (\$95), returned checks (\$30/ea.), dividend reinvestment (\$1/ea.), paper statements and confirms (\$1/ea.), copies of old statements (\$5/ea.). Your Financial Professional can provide a full listing of all fees associated with a Pershing brokerage account.

Potential conflict in Pershing brokerage account

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.

Financial planning

The fee you will pay for Comprehensive Financial Planning and Modular Planning will vary 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.

Potential conflict associated with financial planning services

Your financial plan sometimes will result in recommendations to purchase products or services offered by your Financial Professional either on a commission or fee basis. Such recommendations typically will result in compensation to the Financial Professional.

Investment advisory programs

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 fee for the managed account programs is negotiable and the IAR has discretion to adjust the fee. IARs typically charge between .30% - 1.50% annually. This is not inclusive of all fees. Some Third Party Advisors charge additional fees 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 do not always 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 may 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 are 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 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.

Additionally, ONIMCO retains no-transaction fee (NTF) and money market revenue-sharing payments from several funds that participate in those services to promote their funds. Revenue-sharing payments typically are paid from the fund advisor's management fee and are not directly borne by clients.

Potential conflict related to investment advisory programs

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.

Type and scope of services provided

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 may 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.

Monitoring

ONESCO's Financial Professionals' responsibilities do not generally extend to routine monitoring of established accounts or holdings. Your ONESCO Financial Professional will review your account holding upon request, or may conduct a review in light of certain market events, but they are not required to actively monitor transaction-based accounts.

An ONIMCO Financial Professional that is actively managing your account ("IAR-directed advisory account") is required to monitor your account periodically to ensure the holdings and allocations remain within your investment objective parameters. If you invest in a third-party managed account, your ONIMCO Financial Professional will monitor accounts periodically.

In addition, ONIMCO Financial Professionals are required to conduct an annual review with you to reevaluate your investment objectives.

Other material facts related to the scope and terms of the relationship

Material limitations on the securities or investment strategies that may be offered

Depending on the particular securities licenses they hold, your Financial Professional may have limited access to the products and services available through ONESCO and ONIMCO. For example, a Financial Professional that holds a Series 7 license can offer all transaction-based products and services through ONESCO, while a Financial Professional that holds a Series 6 license may be limited to offering mutual funds, annuities, and certain alternative products. In addition, your Financial Professional must be properly licensed (or accredited) and registered with ONIMCO in order to offer financial planning services and advisory products.

Discretionary authority

"Discretionary authority" means your Financial Professional is authorized to buy and sell securities without your prior consent on any trade.

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.

Account minimums

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, some products sponsors do 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.

Risks associated with any investment

While we take reasonable care in developing and making recommendations to you, securities involve risk, and you may lose money. There is no guarantee that you will meet your investment goals, or that our recommended investment strategy will perform as anticipated. Please review any available offering documents for any security we recommend for a discussion of risks associated with the product. We can provide documents to you, or help you find them.