



*The Oak Ridge Financial Services Group, Inc.*

## **The Oak Ridge Financial Services Group, Inc.**

**Form CRS Relationship Summary – August 30, 2024**

The Oak Ridge Financial Services Group, Inc. is a broker-dealer and an investment adviser registered with the Securities and Exchange Commission (SEC), and is a member of the Financial Industry Regulatory Authority ([www.finra.org](http://www.finra.org)) and the Securities Investor Protection Corporation ([www.sipc.org](http://www.sipc.org)). Some, but not all of our Financial Professionals are dually licensed and registered to offer services under the broker-dealer and the investment adviser. It is important that you ask your Financial Professional in what capacity they are able to act as they may not be able to offer you both brokerage and investment advisory services. Brokerage and investment advisory services and fees differ, and it is important for you to understand these differences. Free and simple tools are available to research firms and financial professionals at [Investor.gov/CRS](http://Investor.gov/CRS). This site also provides educational materials about broker-dealers, investment advisers and investing.

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**What investment services and advice can you provide me?** We offer both brokerage and investment advisory services. The range of investment options available to you may be limited depending on the amount of your investment, ability to meet account minimum requirements, your personal suitability, and other such qualifications. We encourage you to ask your Financial Professional whether any investment limitations or account requirements apply. Furthermore, you should ask your Financial Professional if the advice they are providing or the recommendations they offer are part of a brokerage service or advisory service. Some of the key differences between brokerage and investment advisory services are described below.

1. **Our brokerage services** include buying and selling securities at your direction and providing you with investment recommendations, research, financial tools and investor education from time to time or at your request. We offer mutual funds, exchange traded funds (ETFs), domestic and international equities, options, fixed income securities, certificates of deposit (CDs), structured notes, private placements and fixed and variable annuities. Unless we separately agree in writing, we do not monitor your brokerage account and you make the ultimate decision regarding the purchase or sale of investments. In most cases, we provide you with recommendations on specific investments, but you make the final investment decisions.
2. **Our advisory services** include programs that invest in mutual funds, exchange traded funds (ETFs), domestic and international equities, options, fixed income securities, certificates of deposit (CDs), and structured notes as well as managed portfolios from third-party investment managers. Our advisory services are offered on a “non-discretionary” or “discretionary” basis – meaning that either our Financial Professionals will recommend investments to you and you will make the ultimate decision regarding the purchase or sale of investments (non-discretionary), or you appoint a Financial Professional to act on your behalf without having to obtain formal permission prior to executing a transaction (discretionary). The third-party managers we make available through our Custodian, RBC Custody & Clearing, will invest your account on a discretionary basis using mutual funds, ETFs, and other securities. All our advisory services are offered through “wrap fee programs” (as described below), and either we or the third-party manager will review your investments on an ongoing basis as agreed to by you and your Financial Professional.

### Conversation Starters – Ask your Financial Professional

- *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?*
- *How will you choose investments to recommend to me?*
- *What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?*

**For additional information about our brokerage and advisory services**, please visit our website ([www.oakridgefinancial.com](http://www.oakridgefinancial.com)) and refer to our Regulation BI Disclosure Document and “Item 4 – Advisory Business” in our Firm Brochure.

**What fees will I pay?** The fees you pay depend on whether you choose brokerage services, advisory services, or both.

1. For **brokerage services**, the primary fees and costs are “transaction-based” fees for recommendations and execution of securities trades. Depending on the investment product you select, these fees can include up-front commissions, as well as fees that are charged on an on-going basis for as long as you hold the investment (“trails”). If we buy a security from you, or sell a security to you from our own account (as “principal”), we may mark the price up or down, which is a benefit to us. Because we are compensated for transactions, we may have an incentive to encourage you to trade more frequently and in greater amounts, and to trade with us as principal because we receive more revenue when you do so.

You will also pay fees for custodial or administrative services, as well as fees and expenses that are included in the expense ratios of certain of your investments, including mutual funds, ETFs and annuities.

**For additional information about the fees and costs of our brokerage services**, please visit our website ([www.oakridgefinancial.com](http://www.oakridgefinancial.com)).

2. For **advisory services**, the principal fees and costs are the “wrap” program fee for the program you select. These fees are “asset-based” meaning that the fee is calculated as a percentage of the assets invested in your advisory account according to the fee schedule in your advisory agreement with us. This means that the more assets you invest in your account, the more you will pay in fees, and therefore we have an incentive to encourage you to increase your advisory account assets.

Under a Wrap Fee Program, you pay an annualized asset-based fee that includes management fees and custodial fees. You may also be charged transaction fees. The number of transactions made in this type of account, as well as the commissions you would be charged for each transaction if your account was non-advisory, determines the relative cost of the Program versus paying for execution on a per transaction basis and paying a separate fee for advisory services. The fee for a wrap program may be higher than that of a standard managed account, therefore, if you intend to have low trading activity, this may not be a good fit for you. Our clients typically pay the advisory fee each quarter, but please refer to your advisory agreement for the payment frequency that applies to your account.

You may also pay miscellaneous fees charged by the custodian. These may include wire fees, transfer fees and other fees. As well, you may indirectly pay fees and expenses which are included in the expense ratio of some of your investments such as mutual funds and ETFs.

**For additional information about the fees and costs of our advisory services**, please visit our website ([www.oakridgefinancial.com](http://www.oakridgefinancial.com)) and refer to “Item 5 – Fees and Compensation” in our Firm Brochure.

**You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.**

#### **Conversation Starters – Ask your Financial Professional**

- *Help me understand how these fees and costs might affect my investments. 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 as my broker-dealer or when acting as my investment adviser? 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 may create some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the recommendations and investment advice we provide you. Here are some examples to help you understand what this means.**

#### **Examples of Ways We Make Money and Conflicts of Interest.**

- **Proprietary Products:** We will earn higher fees, compensation, and other benefits when you invest in a product that we advise, manage, issue or sponsor, such as a private placement. As such, we have an incentive to recommend (or to invest your assets in) those products over third-party products.
- **Third-Party Payments:** We receive payments from third party product sponsors and managers (or their affiliates) when we recommend or sell certain products. As such, we have an incentive to recommend (or to invest your assets in) products of third-parties that pay us over products of third parties that do not pay us, or pay us less.
- **Revenue Sharing:** Certain managers and sponsors (or their affiliates) share the revenue they earn when you invest in certain of their investment products with us (primarily mutual funds and variable annuities). As such, we may have an incentive to recommend (or to invest your assets in) products of sponsors and managers that share their revenue with us, over other products of sponsors or managers that do not share their revenue, or who share less.
- **Principal Trading:** We may buy or sell securities to you from our own account. Because we earn compensation (such as commission equivalents, mark-ups, mark-downs, and spreads) and can receive other benefits in principal transactions, we have an incentive to trade with you on a principal basis and to recommend securities that we hold in inventory.

#### **Conversation Starters – Ask your Financial Professional**

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

For additional information about conflicts of interest, please visit our website ([www.oakridgefinancial.com](http://www.oakridgefinancial.com)) and refer to see our Regulation BI Disclosure Document and our Firm Brochure.

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### How do your Financial Professionals make money?

Our Financial Professionals are all employees of Oak Ridge. Their employment agreement with Oak Ridge sets out the payments we make to them, but generally they are paid a portion of the advisory fee you pay and/or a portion of the commissions or markups/markdowns from your trades. The compensation they receive varies by product and service. It will also vary based on the Financial Professional's total revenue produced, meaning their compensation could vary based on the amount of client assets they manage and/or the volume of trading.

In the case of certain investment products, including funds and non-traded REITs, the issuer or the sponsor provides our Financial Professionals with other forms of compensation, including business entertainment, expense reimbursement for travel associated with educational or similar business meetings, financial assistance in covering the cost of marketing and sales events, and nominal gifts. The receipt of these payments presents a conflict because it creates an incentive for the Financial Professional to recommend (and maximize the use of) those investments products whose issuers or sponsors offer these forms of compensation.

We may offer recruiting packages to Financial Professionals joining our firm from other firms. This may give them an incentive to enter employment with us and recommend you open an account with us.

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### Do you or your Financial Professionals have legal or disciplinary history?

Yes. Visit [Investor.gov/CRS](http://Investor.gov/CRS) for a free and simple search tool to research us and our Financial Professionals.

#### Conversation Starters – Ask your Financial Professional

- *As a financial professional, do you have any disciplinary history? For what type of conduct?*

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For additional information about our services, please visit our website at [www.oakridgefinancial.com](http://www.oakridgefinancial.com). You may also request up-to-date information or a copy of this disclosure by calling us at 763.923.2200, sending an email to [info@oakridgefinancial.com](mailto:info@oakridgefinancial.com), or by contacting us in writing at Oak Ridge Financial, Attn – Compliance, 701 Xenia Ave S – Suite 100, Golden Valley, MN 55416.

#### Conversation Starters – Ask your Financial Professional

- *Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?*