FREEDOM INVESTMENTS, INC.

STATEMENT OF FINANCIAL CONDITION
AS OF JUNE 30, 2015
(UNAUDITED)

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Freedom Investments, Inc.
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ASSETS		
Cash and cash equivalents	$	6,887,523
Office facilities, net of accumulated depreciation of $33,833		1,167
Deferred taxes		30,851
Other assets		31,360
Total assets	$	6,950,901
LIABILITIES AND STOCKHOLDER'S EQUITY		
Liabilities		
Due to Parent		78,000
Income taxes payable		523,306
Accrued expenses and other liabilities		186,104
Total liabilities		787,410
Commitments and contingencies (Note 5)		
Stockholder's Equity		
Common stock, $1 par value, 1,000 shares authorized, issued and outstanding		1,000
Additional paid-in capital		4,716,394
Retained earnings		1,446,097
Total stockholder's equity		6,163,491
Total liabilities and stockholder's equity	$	6,950,901

The accompanying notes are an integral part of the Statement of Financial Condition.

1. Organization

Freedom Investments, Inc. (the "Company"), a Delaware Corporation, was organized in November 1994 and is a registered broker-dealer under the Securities Exchange Act of 1934. The Company is a member of the Financial Industry Regulatory Authority ("FINRA"). The Company provides discount brokerage services to individual investors throughout the United States.

The Company is a wholly owned subsidiary of Oppenheimer & Co. Inc. (the "Parent") whose ultimate parent is Oppenheimer Holdings Inc., a Delaware public corporation.

On January 12, 2015, the Company entered into an agreement with FOLIO*fn* Investments Inc. to sell all of its brokerage accounts maintained by its Buy and Hold ("B&H") division.

The terms of sale consisted of upfront maximum cash consideration of $2.0 million and additional cash consideration over a three year period based on the number of accounts that remain open at the end of each month during that period. On January 15, 2015, the Company received $1.0 million of the upfront cash consideration. On February 20, 2015, the Company received the remaining upfront cash consideration of $960,622.

2. Significant Accounting Policies

The preparation of statement of financial condition in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the statement of financial condition during the reporting period. Actual results could differ from those estimates.

Income Taxes

The Company accounts for income taxes under the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements. Under this method, deferred tax assets and liabilities are determined on the basis of the differences between the statement of financial condition and tax bases of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse.

The Company recognizes deferred tax assets to the extent it believes these assets are more likely than not to be realized. In making such a determination, the Company considers all available positive and negative evidence, including future reversals of existing taxable temporary differences, projected future taxable income, tax-planning strategies, and the results of recent operations.

New Accounting Pronouncements

Recently Adopted

In April 2014, the FASB issued ASU No. 2014-08, "Reporting Discontinued Operations and Disclosures of Disposals of Components of an Entity." Under this ASU, a discontinued operation is defined as a disposal of a component or group of components that is disposed of and represents a strategic shift that has or will have a major effect on an entity's operation. The ASU also modified related disclosure requirements. The ASU became effective for the annual reporting period in the fiscal year that begins after December 15, 2014. The adoption of this accounting guidance did not have a material impact on the Company's statement of financial condition.

Recently Issued

In August 2014, the FASB issued ASU No. 2014-15, "Disclosure of Uncertainties About an Entity's Ability to Continue as a Going Concern," which provides guidance on determining when and how reporting entities must disclose going-concern uncertainties in their financial statements. The ASU requires management of an entity to perform interim and annual assessments of an entity's ability to continue as a going concern within one year of the date of issuance of the entity's financial statements and also provide disclosures if there is "substantial doubt about the entity's ability to continue as a going concern." The ASU is effective for the annual reporting period in the fiscal year that begins after December 15, 2016 and early adoption is permitted. The Company will evaluate the impact on its disclosure.

3. Office Facilities

The components of office facilities at June 30, 2015 are as follows:

Leasehold Improvements	$	35,000
Accumulated Amortization		(33,833)
	$	1,167

4. Net Capital Requirement

As a registered broker-dealer, the Company is subject to the Securities and Exchange Commission's Uniform Net Capital Rule 15c3-1, which requires that net capital, as defined, shall be the greater of $250,000, or of 6-2/3% of aggregate indebtedness, as defined. At June 30, 2015, the Company had net capital of $5,827,279, which exceeded minimum capital requirements by $5,577,279.

5. Commitments and Contingencies

The Company leases office space expiring in 2015. Future minimum rental commitment under such operating lease is $146,781. Certain leases contain escalation clauses.

6. Income Taxes

The Company is included in an affiliated group that files a consolidated Federal income tax return. The Company recognizes its related federal income tax provision on a separate company basis.

The Company files state and local income tax returns on a separate company basis or as part of the affiliated group's combined or consolidated state filing, depending on the specific requirements of each state and local jurisdiction. The Company computes income tax expense on a separate company basis with respect to the states in which it files on a separate company basis. With respect to other state filings, the Company computes income tax expense on an allocated basis based on the taxable income or loss of the Company and of the affiliated group.

Open income tax years for the affiliated group vary by jurisdiction, but all income tax years are closed through 2008 for all significant jurisdictions.

Deferred income taxes are provided for temporary differences between the financial reporting and tax basis of the Company's assets and liabilities. The deferred income tax provision results from temporary differences related to the reserve for bad debt, deferred fees, accrued rent, and depreciation.

7. Related Party Transactions

The Company has a clearing agreement with the Parent to clear its security transactions on both a fully disclosed and omnibus basis. In the event a fully disclosed customer is unable to fulfill its contractual obligation to the Parent, the Company may be exposed to off-balance sheet risk. Pursuant to the terms of the agreements between the Company and the Parent, the Parent has the right to charge the Company for losses that result from a counterparty's failure to fulfill its contractual obligations. As the right to charge the Company has no maximum amount and applies to all trades executed through the Parent, the Company believes there is no maximum amount assignable to this right. At June 30, 2015, the Company has recorded no liabilities with regard to the right. In addition, the Company has the right to pursue collection or performance from the counterparties who do not perform under their contractual obligations.

The Company had an amount due to the Parent of $78,000 primarily related to operational expenses. These expense are initially paid by the Parent and subsequently reimbursed to the Parent by the Company.

8. Subsequent Events

The Company has performed an evaluation of events that have occurred through the date on which the statement of financial condition is available to be issued and determined that there are no additional events that have occurred that would require recognition or additional disclosure in this statement of financial condition.