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# Investment Advisory Services

from

## Securian Financial Services, Inc.

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<http://www.securian.com/FinancialServices/home.asp>



### Client Disclosure Brochure

(contains the information required by Part 2A of Form ADV)

This brochure provides information about the qualifications and business practices of Securian Financial Services, Inc. If you have any questions about the contents of this brochure, please contact us at 1-800-820-4205. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Additional information about Securian Financial Services, Inc. is available on the Internet at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). "Registration" or being "registered" with the United States Securities and Exchange Commission does not imply a certain level of skill or training.

July 1, 2012

## **ITEM 2: SUMMARY OF MATERIAL CHANGES**

The last annual update to the Securian Financial Services, Inc. ("Securian") Client Disclosure Brochure was March 31, 2012. Since that time, the following material changes have occurred:

- Genworth Financial Wealth Management has entered into an agreement with Securian to make marketing support payments to Securian. For more information, see Item 10(E)(iii).

Securian will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of Securian's fiscal year. Securian may further provide other ongoing disclosure information about material changes as necessary.

Securian will provide you with a new Brochure as necessary based on changes or new information, at any time, without charge. Currently, Securian's Brochure may be requested by contacting Securian's Service Center at 1-800-820-4205.

Additional information about Securian is also available via the SEC's web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's web site also provides information about any persons affiliated with Securian who are registered, or are required to be registered, as investment adviser representatives of Securian.

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## **ITEM 4: ADVISORY BUSINESS**

### **Item 4(A) About Securian**

Securian Financial Services, Inc. (“we”, “our”, “us”, “Securian”) is registered with the United States Securities and Exchange Commission (“SEC”) as both an investment advisor and a securities broker-dealer. “Registration” or being “registered” with the SEC does not imply a certain level of skill or training. We are a member of the Financial Industry Regulatory Authority, Inc. (“FINRA”) and the Securities Investor Protection Corporation (“SIPC”). We are also licensed as an insurance agency with every state in the United States that licenses corporations as insurance agencies.

We have been in the investment advisory business since 1993 and provide investment advisory and brokerage services to a variety of clients all over the United States, including individuals, businesses, and retirement plans. Clients may simultaneously receive both investment advisory and brokerage services from us. Our investment advisory products and services are provided through our investment advisor representatives (“financial advisors”), some of whom may also identify themselves as financial planners, financial consultants, or by some similar designation. All of our financial advisors are also registered representatives of ours (i.e., registered with FINRA to sell securities), licensed as insurance agents for Minnesota Life Insurance Company (an affiliate of ours, see Item 10, “Other Financial Industry Activities and Affiliations”), and they must meet at least one of the following requirements:

- Qualify as a Chartered Financial Analyst (CFA), CERTIFIED FINANCIAL PLANNER™ (CFP®), or Chartered Financial Consultant (ChFC);
- Pass the North American Securities Administrator's Association's (“NASAA”) Uniform Investment Adviser Law Examination (Series 65) or the NASAA Uniform Combined State Law Examination (Series 66); or
- Otherwise meet state and firm registration requirements.

Individual financial advisors may also be licensed as insurance agents for other insurance companies, and, in some cases, may also be affiliated with another of our affiliates, CRI Securities, LLC, which is also registered as both an investment advisor and broker-dealer (See Item 10, “Other Financial Industry Activities and Affiliations”).

In addition to the investment advisory services and programs described in this document, we sponsor several wrap fee investment advisory programs (including Securian Select, Securian Select Advantage, Securian Signature, Securian Spectrum Advisor, Securian Spectrum Advisor Plus, and Securian Advisor Choice), each of which is described in its own separate wrap fee program brochure.

As of March 31, 2012, the client assets we manage on a non-discretionary basis amounted to \$3,653,669,513, and the client assets we manage on a discretionary basis amounted to \$71,783,989.

We are a wholly-owned subsidiary of Securian Financial Group, Inc., and indirect subsidiary of a mutual insurance holding company called Minnesota Mutual Companies, Inc. (see Item 10, “Other Financial Industry Activities and Affiliations”).

### **Item 4(B) Financial and Business Planning Services**

#### **4(B)(i) Individual Financial Planning**

We provide financial planning services primarily to individuals, but also to businesses. Financial planning involves a variety of services, principally advisory in nature, regarding the management of financial resources based upon your needs and objectives.

Your financial advisor will (i) conduct an initial interview to determine your concerns and planning needs, (ii) assist you in selecting the specific financial planning services needed, (iii) negotiate an appropriate fee for such services, (iv) schedule additional consultations to discuss your needs and objectives, (v) gather, review and analyze relevant information and (vi) summarize your situation and make general written recommendations to address your concerns and objectives. You may elect to receive either “comprehensive” or “specialized” planning services. The analyses and recommendations prepared in connection with the comprehensive financial planning program will seek to address the following: financial position, investment planning, tax strategies (see “Taxes” in Item 4(F)), protection planning, retirement planning, and estate planning. With specialized planning services, you elect which of the previously described services you wish to receive. Your financial advisor will work with you to determine which services best meet your needs.

#### 4(B)(ii) Business Planning

We provide business planning services designed to help business owners achieve their business planning goals, including succession planning, and nonqualified benefits. You may elect to receive comprehensive business planning services covering two or more planning areas or you may elect specialized business planning services covering only one such area. In either case, we provide different versions of business planning services which vary depending on the lifecycle stage you select for your business (start up, growth or established).

As a part of the business planning services, we also provide estimated business valuations intended solely for the limited purpose of developing general business planning strategies for your business. The estimated business valuation should never be used to determine the sale price of a business, to calculate estate or other taxes, or for any other purpose requiring a precise valuation or a valuation that will have binding legal effect.

The business planning services described in this brochure, including estimated business valuations, are provided by Securian and by your financial advisor acting as Securian’s investment adviser representative. If an estimated business valuation is included in the business planning services, Securian and its investment adviser representative will use software developed by Minnesota Life Insurance Company (“Minnesota Life”) to determine the estimated business valuation. You will be charged a fee by Securian for all such services, including any estimated business valuation, as described in Item 5(B).

In addition to serving as Securian’s investment adviser representative, your financial advisor is also an insurance agent appointed by Minnesota Life. Your financial advisor, acting as an insurance agent for Minnesota Life, has the option to use Minnesota Life’s business valuation software to provide an estimated business valuation at no cost. In such a case, neither the estimated business valuation, nor any other business planning service, is provided by Securian. If you receive an estimated business valuation at no cost, it is provided to you by your financial advisor acting solely in the advisor’s capacity as an insurance agent for Minnesota Life. Ask your financial advisor for details.

#### 4(B)(iii) Financial and Business Planning - General

Analyses and recommendations will be based on information submitted by you, the financial advisor’s personal interviews with you, economic and tax considerations (see “Taxes” in Item 4(F)), and your personal circumstances. We do not provide legal advice or document preparation as part of financial or business planning services, nor do any of the fees charged for financial or business planning services constitute a fee charged for the placement of insurance.

Financial and business plans typically include various recommendations and planning strategies for you and your assets which may include recommendations to allocate your assets among generic product or account types. Typically a financial or business plan does not include recommendations to buy, sell, or hold specific investments or securities or recommendations to utilize specific investment accounts for purposes of implementing the plan. However, from time-to-time, as a “specialized” service, we may provide recommendations to allocate assets in a

qualified plan account amongst the options made available by the qualified plan, provided Securian is not the broker-dealer or investment adviser of record for the plan in question.

Financial planning services will include various recommendations and planning strategies, depending on the nature of the financial planning services selected. These may include recommendations to allocate your assets among generic product or account types. **The financial planning services do not include recommendations, however, to buy or invest in specific products or accounts through Securian for purposes of implementing a financial plan.** Implementation of financial planning recommendations is your responsibility. The actions necessary to implement a financial planning recommendation, including the development of specific implementation recommendations, are not included in financial planning services, nor are the costs of such implementation included in the fees charged to you.

In addition to being a registered investment advisor, Securian is separately registered as a securities broker-dealer, and the financial advisor, in addition to being Securian's investment advisor representative, is also a registered representative authorized to provide securities brokerage services through Securian and an insurance agent licensed with one or more insurance companies. In those capacities, and separate from the financial planning services, the financial advisor may offer to help you implement one or more financial planning recommendations included with the financial planning services.

If you accept the financial advisor's offer to assist with implementation of the financial plan, the financial advisor may make additional recommendations to invest in specific products or accounts or to purchase additional investment advisory services, but any such recommendations will be limited to those products, accounts and services that Securian has authorized the financial advisor to sell. For information about which products and services the financial advisor is authorized to sell on Securian's behalf, please contact Securian at the telephone number on the first page of this Client Disclosure Brochure. **You are under no obligation, however, to employ the financial advisor or Securian to implement the financial plan, or to purchase any investment or insurance product or other advisory service from Securian or the financial advisor in connection with the implementation of recommendations made in connection with the financial planning services.**

In circumstances where the financial advisor makes separate recommendations to implement a financial plan, the opportunity for the financial advisor and Securian (or its affiliates) to receive additional compensation as a result of such recommendations may create a conflict between your interests and those of Securian or the financial advisor (see Item 10(E), "Conflicts of Interest"). In addition, if you separately purchase a product or service recommended by the financial advisor in order to implement a financial planning recommendation, you may be charged commissions or fees in connection with those transactions and services that are separate from and in addition to the fees charged by Securian. Our obligations to you when we are acting as a broker-dealer or insurance agency differ from our obligations to you when we are acting as an investment advisor. Your financial advisor's obligations when acting as an insurance agent for you or providing securities brokerage services to you differ from your financial advisor's obligations to you when your financial advisor is acting as an investment advisor representative.

*Requirements.* In order to receive financial or business planning services, you will be required to execute a planning services agreement with us. Such agreement will have a term of 12 months unless you elect to have the agreement automatically renew at the end of each 12 month period.

*Termination.* Delivery of your final financial or business plan automatically terminates your planning services agreement, unless you have elected to receive annually renewing services. Your planning services agreement may also be terminated by you upon written notice to us or by us upon written notice to you. If you have elected to receive annually renewing services, your failure to pay the fee for a subsequent annual term automatically terminates your planning services agreement with us.

The termination or expiration of your planning service agreement with us also results in the termination of the investment advisory relationship that exists between you and us in connection with that agreement. This means

we and our financial advisors will no longer owe you any duties in connection with your planning services agreement even if you receive securities brokerage or other services from us.

#### **Item 4(C) Retirement Plan Services**

##### 4(C)(i) Plan Level Advisory Services

*Description.* We provide services to pension, retirement, and profit sharing plans and to the sponsors of such retirement plans. Fiduciary services include investment policy statement consultation and review, performing due diligence review on and recommending investment options, and monitoring investment performance. We also provide various non-fiduciary services, including but not limited to assistance with provider selection and participant enrollment and education. For more detailed information about the services, see the retirement plan advisory services agreement that you entered into with us.

Your financial advisor is a registered representative authorized to provide securities brokerage services through us and is separately licensed as an insurance agent for one or more insurance companies (including our affiliate, Minnesota Life Insurance Company). In those separate capacities, he/she may offer products or services to you. If you purchase other products or services recommended by your financial advisor, you may be charged commissions or fees and we and the financial advisor will forego such compensation in connection with those transactions while a plan services agreement is in force. Our obligations to you when we are acting as a broker-dealer or insurance agency differ from our obligations to you when we are acting as an investment advisor. Your financial advisor's obligations to you when acting as an insurance agent or providing securities brokerage services to you differ from your financial advisor's obligations to you when your financial advisor is acting as an investment advisor representative. You are under no obligation, however, to purchase any other products or services from us or our financial advisors.

*Requirements.* In order to receive retirement plan services, you will be required to execute a retirement plan advisory services agreement.

*Termination.* The retirement plan advisory services agreement may be terminated at any time by either party upon sixty (60) days' written notice to the other party.

##### 4(C)(ii) Participant Level Advisory Services

*Description.* If you are a participant in a pension, retirement, or profit-sharing plan, and if your plan permits it, we can provide you with various services including an analysis of your risk tolerance, recommendation of an appropriate asset allocation strategy for your plan account, and recommendations as to the investment in, and allocation between, the securities made available by the retirement plan. We may also periodically provide recommendations to change the composition of the strategy selected or to rebalance your retirement plan account. You have sole discretion whether to accept or reject our recommendations. Generally, you are solely responsible for communicating purchase and sell decisions approved by you to the plan platform provider.

*Requirements.* In order to receive participant advisory services, you will be required to execute an investment advisory agreement for retirement plan participants. The advisory agreement will also require that our advisory fees be paid out of your participant account under the plan.

*Your Information.* Whenever we provide Participant Advisory Services to a participant of any retirement plan, we may also provide the following services to the plan and its sponsor.

- If our investment management fees are deducted directly from your retirement plan account, we send quarterly invoices for our investment management fees to the plan, its sponsor, and/or the custodian of the plan assets.



- We will maintain records of our asset allocation recommendations and the information received from you that formed the basis for our recommendations. We will make these records available to the plan and/or its sponsor upon their request.
- We will maintain records of the investment management fees paid to us by you or on your behalf, including the manner in which the fee was computed. We will make these records available to the plan and/or its sponsor upon their request.

*Termination.* The investment advisory agreement for retirement plan participants will continue in force until terminated by you or us upon 60 days notice.

#### **Item 4(D) Seminar and Educational Services**

We present financial and investment-related seminars to help educate the public. The seminar materials are selected by us, and are sometimes prepared by us, but are prepared primarily by unaffiliated publishers and distributors of investment seminar program materials; we will, however, sometimes use materials prepared by our affiliated businesses. These materials provide investment-related information which is intended to be educational in nature and to provide seminar participants with information regarding certain investment-related topics. The information contained in the seminar materials is not intended as specific investment advice and does not purport to meet the investment objectives or needs of specific individuals or accounts.

An individual who attends a seminar is our client for purposes of the seminar only, and does not continue to be our client following completion of the seminar unless we subsequently provide additional investment advisory services to the same individual.

We also provide various services to employers or other organizations designed to help educate such organizations, or their employees or members, on general investment or financial issues. These services are educational in nature and are not intended as specific investment advice, nor do such services purport to meet the investment objectives or needs of specific individuals or accounts. The recipients of such services are our client for purposes of the services only, and do not continue to be our client following completion of the services unless we subsequently provide additional investment advisory services to the same recipient.

*Termination.* Our investment advisory relationship with an individual who attends a seminar or receives educational services ends at the end of the seminar or presentation of educational services, unless that individual subsequently retains us for other investment advisory services.

#### **Item 4(E) Solicitor Services**

*Description.* We can assist you in selecting and participating in an investment advisory services program ("Sponsored Program") sponsored by an investment management firm ("Sponsor") other than us. The sponsors of these programs have authorized us to solicit and refer clients to such sponsors. We will assist you in reviewing one or more available Sponsored Programs, their terms and conditions and the options thereunder. However, you are solely responsible for selecting which Sponsor and which Sponsored Program is most appropriate for you. We will collect certain financial information from you; review your investment objective, investment time horizon, and risk profile; and recommend which Sponsor and Sponsored Program are appropriate for you. If the Sponsored Program you select offers a choice of portfolio managers, we will assist you in selecting one or more portfolio managers. We will also assist you in initiating the steps necessary to open your account in the Sponsored Program you select. At least annually we shall take reasonable steps to speak with you, either in person or by telephone, for the purpose of (i) reviewing your account in the Sponsored Program, (ii) assisting you in determining whether the account has been managed in a manner consistent with the Sponsored Program's stated objectives and policies, and (iii) inquiring whether you wish to communicate to the Sponsor any changes in your financial circumstances or investment objectives. We will also be available to you on an ongoing basis to convey to the Sponsor any other changes which may then have occurred in your financial circumstances or investment objectives.

The Sponsor, or, with respect to Sponsored Programs that offer a choice of portfolio managers, the portfolio managers you select, will be solely responsible for the investment of your assets, including the recommendation and selection of any investment allocation strategy or any individual security. We are not responsible for providing any advice regarding the investment of your assets in the Sponsored Program you select except for those services specifically set forth in your agreement with us.

For more information about any Sponsored Program, please refer to your agreements with the Sponsor and/or custodians as well as the Sponsor's brochure and wrap fee program brochure (for wrap fee programs). Securian makes no representations as to the completeness or accuracy of such materials.

*Agreement.* In order to receive these services, you will be required to enter into one or more agreements with the Sponsor and/or one or more custodians.

*Brokerage - General.* With respect to all of the Sponsored Programs other than those with Boyd Watterson Asset Management, LLC (formerly Sovereign Advisers), we will not execute transactions in your account under the Sponsored Program you select. With respect to all of the Sponsored Programs, we will not exercise any investment discretion regarding the selection of brokers or the commissions to be paid in connection with such transactions.

*Brokerage – Boyd Watterson.* With respect to the program sponsored by Boyd Watterson Asset Management, LLC ("Boyd Watterson"), you may, at your option, open a brokerage account with us, and in your separate agreement with Boyd Watterson direct that all securities purchase and sale orders for your account be introduced by us and executed and cleared through Pershing, LLC ("Pershing"), which serves as the clearing broker for all transactions through this program. This creates a conflict of interest for us (see Item 10(E), "Conflicts of Interest"). While best efforts will be made by Pershing, it is possible that another broker-dealer may execute a transaction at a better quality, speed, or price. For these reasons, directed brokerage accounts may not generate returns equal to those of non-directed accounts. If so directed, Pershing also provides usual and customary custodial and certain administrative services in connection with the operation of this program. All your cash, securities, and other assets in the program will generally remain in your custody or Pershing's. We will not receive or retain custody of any of your assets in this program. If you forward your cash, securities or other assets to us, we will return them to you so that you can send them to Pershing. We are authorized to follow your and Boyd Watterson's instructions in every respect concerning transactions in your account. Your authorization continues until you terminate it with a written notice to us and Pershing, and we and Pershing actually receives a copy of your written notice. We may, however, reject any instructions if, in our reasonable judgment, such instructions, if implemented, would violate any applicable law, rule, or regulation.

*Availability of Sponsored Programs.* The Sponsored Programs are available directly from the sponsors or through other advisors, possibly at less cost to you.

*Changes In Your Situation or Objectives.* It is your responsibility to advise the Sponsor if there have been any changes in your situation or investment objectives, or any other changes, that would affect the manner in which your account should be managed. If you advise us or your financial advisor of any such changes, we will communicate them to the Sponsor or its agents.

*Termination.* Either you or we may terminate your solicitor services agreement upon written notice to the other. We will not charge you any fees for terminating your agreement. The termination of your agreement with us will not directly affect your participation in the Sponsored Program. If you also wish to terminate your agreement with the Sponsor and cease participation in the Sponsored Program, you must contact the Sponsor directly.

#### **Item 4(F) Current Investment Management Services**

In addition to the services described above, Securian, on a non-discretionary basis, makes available various programs that provide asset allocation services, recommendations for the purchase and sale of individual securities, and/or access to one or more investment management firms. In some programs, on a case-by-case basis, certain limited discretion may be granted (See Item 16, "Investment Discretion" for more information). Some of these asset allocation services involve the use of model asset allocation portfolios which diversify your assets among asset classes and styles using either mutual funds or individual securities. Each of the model portfolios employed in these programs represents a different asset allocation strategy. Depending on the program, the models may be developed by us or by another manager. Customized models may also be recommended. With some programs, we first develop an allocation strategy consistent with your investment objective and then recommend one or more investment management firms to manage individual securities consistent with your allocation strategy. In all cases, your account is invested in accordance with the strategy you choose.

We currently provide several investment management programs. Your financial advisor will usually provide a recommendation to assist you in selecting a program appropriate for you. Information that is applicable to all of our programs is set forth in this introductory portion of Item 4(F). For information specific to each program, see the program specific information provided below.

*General Services.* We will assist you in reviewing one or more of our investment management programs, their terms and conditions, and the options thereunder. We will collect certain financial information from you; review your investment objective, investment time horizon, and risk profile; and recommend a program and allocation strategy appropriate for you. However, you are solely responsible for selecting a program and allocation strategy appropriate for you.

*Program Availability.* The, SEI Asset Allocation, SEI Managed Accounts, Loring Ward Structured Investing, ManagersChoice, and Genworth Financial Wealth Management, programs are available from other advisors (although possibly under different program names), possibly at a lower fee than that charged by us. The services of some of the investment managers available through our programs are available directly without payment of investment management fees to us.

*Securities Availability.* The securities available through our programs are available from other advisors, possibly at a lower fee than charged by us, and many are available directly without the payment of any investment management fees.

*Confirmations, Statements, & Performance Reports.* You will be provided confirmations of all of the transactions that occur in your account, statements at least quarterly showing all activity in your account, and quarterly performance reports for your account. Confirmations and statements are not provided by us and are generally provided by the custodian of your account. Performance reports are generally provided by the sponsor of the program. Securian, as the sponsor for Portfolio Solutions I and II, provides performance reports for these programs.

*Account Review.* We will review your account with you at least once each year to determine whether the assets in your account are allocated consistently with the allocation strategy you selected. The review covers such things as changes in the value of your account, the success of your allocation strategy in meeting your investment needs and objectives, whether any material changes have taken place in your financial circumstances or investment objectives, and any recommendations we make with respect to your account(s). We will also be available on an ongoing basis to discuss any changes which may have occurred in your circumstances or investment objective.

*Changes In Your Situation or Objectives.* It is your responsibility to advise us or your financial advisor if there have been any changes in your situation or investment objectives, or any other changes, that would affect the manner in which your account should be managed.

*Taxes.* Any recommendations or information we provide regarding tax strategies are based upon general tax principles, and we make no warranty that any such strategy will be effective in your particular situation. Such recommendations or information are not intended for, nor can they be used by any taxpayer for the purpose of avoiding federal tax penalties. This information is provided solely to support the promotion or marketing of ideas that may benefit a taxpayer. We are not responsible for any adverse tax consequences of purchases or sales of securities in your account(s), whether such transactions are related to rebalancing of your account, maintaining your account in accordance with a model portfolio, the payment of our or other parties' fees, liquidation of your account, or otherwise, including any penalties on early withdrawals from retirement accounts. You should consult your tax professional regarding all such matters.

*No Responsibility for Third Parties.* We are not responsible for any third party's actions, inactions, performance, or compliance with law. Third parties include, but are not limited to, sponsors or co-sponsors of the programs described below, portfolio managers, investment managers, sub-managers, custodians, executing brokers, etc.

*Additions and Withdrawals.* You may generally add or withdraw assets from any of our programs at any time (see "Taxes" in Item 4(F)), subject to legal requirements (such as in the case of retirement accounts). For the impact of additions and withdrawals on the calculation of our investment management fee, please see the description for each program below and all other documents related to your account.

*Aggregation of Transactions.* We, and/or the third parties involved in executing transactions for each program, may, but are not required to, aggregate orders for the sale or purchase of securities with orders for the same security for other clients. Aggregated orders will generally be filled at an average price, with a pro-rata share of transaction costs. On occasion, an aggregated order will not be fully executed, and any partial execution of such an order will be allocated amongst the clients involved as determined by the relevant party executing the order in accordance with applicable law.

*Agency Cross Transactions.* "Agency cross transactions" are transactions where one party acts as the broker for both the buyer and the seller. We do not engage in agency cross transactions, however transactions are executed by third parties in most of our programs. Those third parties involved in executing transactions, may effect "agency cross" transactions and receive compensation from each party to the transaction.

*Advice to Other Clients May Differ.* We provide investment advisory and/or brokerage services to other clients and may give different advice, or take different action for, any other client than the advice we give you or the actions we take for you. We and our affiliates (and their respective partners, directors, officers, agents and employees) may buy, sell, or trade securities for their own accounts and such actions may differ from the actions we take for you.

*Proxies and Legal Notices.* We will not vote proxies, consents, waivers, or other corporate actions with respect to the securities held in your account(s). With respect to some of our programs, you may be able to grant discretion regarding some or all of these matters to one or more third parties that are involved in such programs. For more information please see your investment management agreement(s), custodial or brokerage agreement(s), other documentation related to each program, or contact your financial advisor or us (see Item 20(B) "How to Contact Us"). Also, we are not obligated to take any action or render any advice with respect to securities held in your account(s) which become subject to legal notices or proceedings, including bankruptcy proceedings.

*Cash Balances.* Unless otherwise directed by you, cash balances in your account are subject to periodic sweeps into short-term investment vehicles which may be selected by you, the program sponsor, custodians, and/or portfolio managers.

*Payment of Fees.* Our investment management fees will generally be paid first out of cash balances, then from the liquidation or withdrawal of shares of any money market funds or balances in any money market account, and, to

the extent such assets are insufficient to satisfy payment of the fee, from the sale and liquidation of other assets in your account.

*Margin Account Interest.* In certain of the programs, you may also open a brokerage account with us or with another broker-dealer. You will be charged interest on any margin loans in which you engage in any of our programs.

*Other Costs.* You will be responsible for any and all fees related to the transfer or liquidation of your assets as well as all costs related to any brokerage or other account in which the assets are maintained after the termination of your account, including, but not limited to: (i) commissions or other charges imposed by broker-dealers or other entities for executing and/or clearing transactions; (ii) transaction fees (e.g. sales loads or deferred sales charges) related to investments in collective investment vehicles (e.g. mutual funds); (iii) dealer markups or markdowns; (iv) costs relating to trading in foreign securities; (v) expenses charged by a retirement plan, (vi) costs related to individual retirement accounts; (vii) charges imposed by law; and (viii) custodial fees. Therefore, you should carefully review all the documents related to your account for a full description of any such fees. You should consult your tax professional regarding any tax consequences related to the liquidation of your account (see “Taxes” in Item 4(F)).

*Termination.* With the exception of the Genworth Financial Wealth Management Program, the Securian Legacy Advance Program, and the Securian Trust Connection Program, the investment management programs that we currently offer may be terminated by you or us with 30 days’ notice. The Genworth Financial Wealth Management Program, Securian Legacy Advance Program, and Securian Trust Connection Program may be terminated by any of the parties upon written notice to all other parties.

#### 4(F)(i) Portfolio Solutions I Program

*Description.* This is an asset allocation program in which we assist you in creating a portfolio of mutual funds, exchange traded funds, and, in some cases, a portfolio of individual securities. The mutual funds in this program are available from Pershing, LLC (“Pershing”). Pershing (member FINRA/SIPC) is a global provider of financial business solutions to institutional and retail financial organizations and independent registered investment advisors. Pershing is a subsidiary of The Bank of New York Mellon Corporation. See [www.pershing.com](http://www.pershing.com) for more information about Pershing (Securian makes no representations as to the completeness or accuracy of such materials).

Some or all of your assets may also be invested in a portfolio of individual securities managed by us, depending on the investment strategy you select.

#### *Account Requirements.*

Agreements. In order to participate in this program, you will be required to sign an investment management agreement with us and enter into an agreement with us to open a brokerage account that will hold your assets in the program.

Brokerage. In addition to serving as investment advisor, we serve as the introducing broker-dealer on each account, which represents a conflict of interest for us (see Item 10(E), “Conflicts of Interest”). You will direct that all purchase and sale orders of securities for your account be introduced by us and executed and cleared through Pershing which serves as the clearing broker for all transactions through this program. While best efforts will be made by Pershing, it is possible that another broker-dealer may execute a transaction at a better quality, speed, or price. For these reasons, directed brokerage accounts may not generate returns equal to those of non-directed accounts.

Custody. Pershing also provides usual and customary custodial and certain administrative services in connection with the operation of this program. All your cash, securities, and other assets in the program will

generally remain in your custody or Pershing's. We will not receive or retain custody of any of your assets in this program. If you forward your cash, securities or other assets to us, we will return them to you so that you can send them to Pershing.

**Trading Authority.** Generally, we will not exercise investment discretion in the purchase or sale of securities, except that we have authority to direct Pershing to sell securities, if necessary, to pay a fee due to us from your account (see "Taxes" in Item 4(F)). Also, in some limited circumstances for some clients, we will exercise investment discretion in the purchase and sale of securities pursuant to an amendment to the investment management agreement for those clients (see Item 16, "Investment Discretion"). Therefore, other than in those situations described in the previous two sentences, we only instruct Pershing to execute transactions in your account which are approved by you. We and Pershing are authorized to follow your instructions in every respect concerning transactions in your account. However, we may reject any of your instructions if, in our reasonable judgment, such instructions (i) are not consistent with your investment objectives or (ii) if implemented would violate any applicable law, rule, or regulation.

If you have granted Securian the limited authority to do so, upon your instruction, Securian will (1) instruct Pershing or other custodians to transfer assets from your account to another of your identically registered account(s) with Securian held at such custodian; or (2) instruct Pershing or other custodians to remit to you funds or securities in your account to you at your address of record with Pershing. Securian does not have the authority to open an account on your behalf or to designate or change your address of record.

**Rebalancing.** Your account will not be rebalanced without your specific consent, except for the discretion described under Trading Authority above.

#### 4(F)(ii) Portfolio Solutions II Program

**Description.** This is an asset allocation program in which we assist you in creating a portfolio of mutual funds and, in some cases, individual securities. The mutual funds available through this program are available from Charles Schwab & Co., Inc. ("Schwab") through its Schwab Institutional Enterprise program. Schwab (member SIPC) and affiliates offer a range of investment services and products including custodial, operational, and trading support for independent, fee-based investment advisors. See [www.schwab.com](http://www.schwab.com) for more information (Securian makes no representations as to the completeness or accuracy of such materials).

Some or all of your assets may also be invested in a portfolio of individual securities managed by us, depending on the investment strategy you select.

#### **Account Requirements**

**Agreements.** In order to participate in this program, you will be required to sign an investment management agreement with us. You will also be required to enter into an agreement with Schwab to open a brokerage account that will hold your assets in the program.

**Brokerage.** You will direct us to place all purchase, sale, and exchange orders relating to your account with Schwab for execution. However, you may enter into a separate Prime Brokerage Services Agreement with Schwab pursuant to which we and Schwab (as your prime broker) are authorized to open accounts with, and execute trades through, other broker-dealers ("executing brokers") that have also entered into Prime Brokerage Agreements with Schwab. Accounts with executing brokers are opened in the name of Schwab designated for your benefit. While best efforts will be made by Schwab, it is possible that another broker-dealer may execute a transaction at a better quality, speed, or price. For these reasons, directed brokerage accounts may not generate returns equal to those of non-directed accounts.

**Custody.** Schwab also provides usual and customary custodial and certain administrative services in connection with the operation of this program. All your cash, securities, and other assets in your account will

generally remain in your, Schwab's, or the executing brokers' custody. We will not receive or retain custody of any of your assets in this program. If you forward your cash, securities or other assets to us, we will return them to you so that you can send them to Schwab.

**Trading Authority.** We will not exercise investment discretion in the purchase or sale of securities, except that we have authority to direct Schwab or the executing broker to sell securities, if necessary, solely to pay a fee due to us from your account (see "Taxes" in Item 4(F)). Therefore, except as provided in the previous sentence, we only instruct Schwab or the executing broker to execute transactions in your account which are approved by you. We are authorized to follow your instructions in every respect concerning transactions in your account. However, we may reject any of your instructions if, in our reasonable judgment, such instructions (i) are not consistent with your investment objectives or (ii) if implemented would violate any applicable law, rule, or regulation.

With respect to securities transactions you have approved or those for which we are exercising investment discretion as described above, you will authorize us to direct Schwab or the executing broker to execute all such transactions on your behalf in this program (subject to the terms and conditions of your Prime Brokerage Services Agreement, if applicable), and Schwab and the executing brokers are therefore authorized to follow our instructions in every respect. Such authorization continues until you terminate it via written notice to us and Schwab, and the executing broker if applicable, actually receive a copy of such notice.

**Rebalancing.** Your account will not be rebalanced without your specific consent.

#### 4(F)(iii) SEI Asset Allocation Program<sup>1</sup>

**Description.** This is a mutual fund asset allocation program that offers various model investment portfolios comprised of SEI mutual funds. The mutual funds available under this program are managed by SEI Investment Management Corporation or its affiliates ("SIMCO" or "SEI"). SIMCO also develops and maintains the model investment portfolios, which may include periodic adjustments of the target allocations among the SEI funds in a model, or the addition or subtraction of SEI funds from a model (when SIMCO recommends changes to the composition of model investment portfolios, clients must provide approval in order to implement SIMCO's recommended changes). SIMCO and its affiliates are a global provider of outsourced asset management, investment processing, and investment operations solutions. See <http://www.seic.com> for more information (Securian makes no representations as to the completeness or accuracy of such materials).

SEI's mutual funds are institutional funds that are not available for purchase by the general public except through an investment management program such as ours. SIMCO will not provide you investment advice or supervise or monitor trading activity in your account. See SIMCO's separate brochure for more information about SIMCO's services and model portfolios (Securian makes no representations as to the completeness or accuracy of such materials).

In this program, we assist you in determining the suitability of the program and then in selecting a model portfolio and opening a custodial account with a trust company affiliated with SIMCO ("SEI Trust"). We also assist you in communicating to SEI Trust the model portfolio selected by you. We provide ongoing account monitoring and allocation advice, including client communication or consultation at least annually, as part of our services under this program.

#### **Account Requirements**

**Agreements.** In order to participate in this program, you will be required to sign an investment management agreement with us, and a custody agreement with SEI Trust.

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<sup>1</sup> Formerly known as Securian Mutual Fund I Program

Brokerage. You will direct us to place all purchase, sale, and exchange orders relating to your account with SEI Trust for execution.

Custody. SEI Trust also provides usual and customary custodial and certain administrative services in connection with the operation of this program. All your cash, securities, and other assets in your account will remain in your or SEI Trust's custody. We will not receive or retain custody of any of your assets in this program. If you forward your cash, securities or other assets to us, we will return them to you so that you can send them to SEI.

Trading Authority. We will not exercise investment discretion in the purchase or sale of securities, except that we have authority to direct SEI to sell securities, if necessary, solely to pay a fee due to us from your account (see "Taxes" in Item 4(F)). Therefore, except as provided in the preceding sentence, we will only give SEI instructions to execute transactions in your account which are approved by you. We and SEI are authorized to follow your instructions in every respect concerning transactions in your account. However, we and/or SEI may reject any of your instructions if, in our reasonable judgment, such instructions (i) are not consistent with your investment objectives or (ii) if implemented would violate any applicable law, rule, or regulation.

With respect to securities transactions you have approved or those for which we are exercising investment discretion as described above, you will authorize us to direct SEI to execute all such transactions on your behalf in this program, and SEI Trust is therefore authorized to follow our instructions in every respect. Such authorization continues until you terminate it via written notice to us and SEI Trust receives a copy of such notice.

You will direct your account to be invested in accordance with one or more model portfolios you select (when SIMCO recommends changes to the composition of the model investment portfolios, clients must provide approval in order to implement SIMCO's recommended changes). Once you have selected or approved a model portfolio, you are directing that the account be automatically adjusted by SEI to reflect any adjustment in the securities held in the model portfolio. Your approval or authorization of the model portfolio will result in the purchase and sale of securities in the model portfolio without further authorization by you until such time as SEI changes the composition of the selected model portfolio. This authorization will continue until you expressly instruct SEI otherwise. In addition, you have limited ability to customize your account. However, if your account varies from the model portfolio you selected, your account will thereafter be deemed a custom portfolio and will not be adjusted unless you provide us or SEI specific instructions to do so.

*Rebalancing.* As described above, your account will be automatically adjusted to reflect any adjustment in the model portfolio(s) in which you are invested unless your account is a custom account or you expressly instruct otherwise.

*Termination.* Unless you select another investment advisor that participates in this program through SEI, you may be required to liquidate the assets in your account upon termination. See "Termination" in Item 4(F) for more information related to the termination of your account.

#### 4(F)(iv) SEI Managed Account Program and Distribution Focused Strategies

*Description.* SIMCO sponsors the SEI Managed Account Program ("MAP Program"), under which we assist you in selecting an appropriate asset allocation strategy and selecting available sub-advisors assigned to the strategy by SIMCO. You also appoint SIMCO, through its manager of managers structure, to manage the assets in each Managed Account Portfolio in accordance with the strategy selected by you. Your assets are allocated to designated portfolios of separate securities managed by the selected sub-advisors (each, a "Managed Account Portfolio") and may include an allocation to SEI Funds (generally due to investment minimums), which are also advised by SIMCO. In the MAP Program, SIMCO makes available a number of different sub-advisors for selection by you to manage individual portfolios of stocks and bonds based on the specific investment strategy you select. SIMCO may change available sub-advisors in its sole discretion upon written notice to you. In certain cases, SIMCO may also manage securities directly rather than delegating responsibility to a sub-advisor.



Additionally, the MAP Program offers a feature called the Integrated Managed Account Program (“IMAP”). In IMAP, SIMCO appoints a tax overlay manager for the equity portion of your Managed Account Portfolio. The various equity sub-advisors for your Portfolio provide buy-sell lists to the overlay manager, which then is responsible for executing the transactions, with the goal of increased coordination across the equity account, increased tax efficiency and minimization of washed sales.

In addition to MAP and IMAP, SIMCO offers the SEI Distribution-Focused Strategies (the “DFS Program”), which is designed for investors requiring regular distributions from their investment accounts. In this program, your assets are invested in a portfolio of SEI Funds within a strategy seeking to generate a targeted level of distributions using a broadly diversified portfolio of assets. The program also seeks to provide a degree of principal preservation by seeking to leave a positive residual value at the end of each strategy’s stated investment time horizon. You appoint SIMCO to manage the assets in each DFS Portfolio on a discretionary basis in accordance with the strategy selected by you. SIMCO is responsible for selecting securities (generally SEI’s proprietary mutual funds) underlying each portfolio and actively managing each portfolio in accordance with its investment strategy. See SIMCO’s separate brochure for more information regarding SIMCO’s services, programs and strategies (Securian makes no representations as to the completeness or accuracy of such materials).

In each of these programs, we collect financial and other data from you, review your investment objective, investment time horizon, and risk profile. We then assist you in determining the suitability of the program for you, and also assist you in selecting an appropriate asset allocation strategy. In MAP and IMAP we also assist you in selecting available sub-advisors assigned to the strategy by SIMCO. In the case of the DFS Program, we may use tools made available by SIMCO, including its proprietary proposal tool, to help you select the DFS strategy appropriate for you.

#### *Account Requirements*

Agreements. In order to participate in these programs, you will enter into a joint investment management agreement with us and SIMCO. In addition, you will enter into one or more custody agreements with SEI Trust.

Brokerage and Custody. Securities transactions are effected through such brokers or dealers as SIMCO or the portfolio manager deem appropriate, including broker-dealer affiliates of SIMCO or the portfolio managers.

SEI Trust provides usual and customary custodial and certain administrative services in connection with the operation of this program. All your cash, securities, and other assets in your account will remain in SEI Trust’s custody. We will not receive or retain custody of any of your assets in this program. If you forward your cash, securities or other assets to us, we will return them to you so that you can send them to SEI Trust.

Trading Authority. We will not generally exercise investment discretion in the purchase or sale of securities in your account, except that we have authority to direct SIMCO to sell securities, if necessary, solely to pay a fee due to us from your account (see “Taxes” in Item 4(F)). Therefore, we generally only instruct SIMCO to execute transactions in your account which are approved by you. We are authorized to follow your instructions in every respect concerning transactions in your account. However, we may reject any of your instructions if, in our reasonable judgment, such instructions (i) are not consistent with your investment objectives or (ii) if implemented would violate any applicable law, rule, or regulation.

With respect to securities transactions you have approved or those for which we are exercising investment discretion as described above, you will authorize us to direct SIMCO, the portfolio managers, and SEI Trust to execute all such transactions on your behalf in this program, and SIMCO, the portfolio managers, and SEI Trust are therefore authorized to follow our instructions in every respect. Such authorization continues until you terminate it via written notice to us and SIMCO, the portfolio managers, and/or SEI Trust, as applicable, actually receive a copy of such notice.

The services provided by SIMCO and the portfolio managers in connection with this program are discretionary. You will grant investment discretion to SIMCO and the portfolio managers, and SIMCO and the portfolio managers will exercise such discretion in the day-to-day management of your account. SIMCO or the portfolio manager will direct the investment and reinvestment of the assets in your account in accordance with the strategies of the portfolios you select. We are not responsible for the investment decisions of SIMCO, the portfolio managers, or SEI Trust. You can place reasonable restrictions on the management of your account assets by notifying SIMCO in writing. However, SIMCO, with prior notice to you and us, may elect to liquidate your account instead of agreeing to any such restriction if SIMCO reasonably determines that such restrictions materially conflict with the strategy for that portfolio.

SIMCO or the portfolio managers will execute purchases and sales of securities or other property in your account. You should consult your tax professional regarding the tax consequences of such purchases or sales (see “Taxes” in Item 4(F)).

*Rebalancing.* SIMCO and/or the portfolio managers will adjust your account on an ongoing basis consistent with the strategy you selected as described above. You can also elect to have your entire portfolio rebalanced automatically by SIMCO.

*Termination.* Unless you select another investment advisor that participates in this program through SEI, you may be required to liquidate the assets in your account upon termination. See “Termination” in Item 4(F) for more information related to the termination of your account.

*Conflicts Between Investment Managers.* If you select more than one investment/portfolio manager in this program, each such manager may take action with respect to that portion of your assets for which such manager is responsible that may differ from the timing or nature of action taken by another manager. Thus, a particular security purchased for you by one manager may be sold for you by another manager that manages a different portion of your account. This may result in the realization of a taxable gain or loss, however the loss may be disallowed under the wash sales rules of the Internal Revenue Code. You should consult with your tax advisor regarding the tax consequences of these types of situations (see “Taxes” in Item 4(F)).

#### 4(F)(v) Loring Ward Structured Investing Programs<sup>2</sup>

*Description.* The Structured Investing Portfolio Services Program (“Portfolio Services Program”) and Structured Investing Advantage Program (“Advantage Program”) are offered by LWI Financial, Inc. (“Loring Ward”) through Securian. Loring Ward provides a turnkey asset management program to investment advisors and their clients. These services include investment strategies and products, back office operational processing, education and training, and business development support. See [www.loringward.com](http://www.loringward.com) for more information about Loring Ward. See Loring Ward’s separate brochure for more information regarding Loring Ward’s services, programs and strategies (Securian makes no representations as to the completeness or accuracy of such materials).

The Portfolio Services Program is a mutual fund asset allocation program in which we assist you in selecting one of various model investment portfolios comprised of Loring Ward mutual funds. The nine mutual funds available through this program, the SA Funds – Investment Trust, are advised and administered by Loring Ward and subadvised by Dimensional Fund Advisors, Inc. (“DFA”), a mutual fund advisor unaffiliated with Loring Ward. For more information about DFA, see [www.dfaus.com](http://www.dfaus.com) (Securian makes no representations as to the completeness or accuracy of such materials). For the Portfolio Services Program, the minimum account size is generally \$100,000.

The Advantage Program is an asset allocation, management, and reporting program that we offer through Loring Ward for use in the management of client account assets. This program permits the use of mutual funds, including those affiliated with Loring Ward. It also permits the inclusion of client-directed securities not included in Loring

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<sup>2</sup> Formerly known as Securian Mutual Fund II Program or the Loring Ward Asset Allocation Program.

Ward's asset allocation recommendations or its account management. Among the funds recommended by Loring Ward are the SA Funds - Investment Trust, consisting of nine mutual funds, which are advised and administrated by Loring Ward and subadvised by DFA, and a group of mutual funds directly advised by DFA or its affiliates ("DFA Funds"). For the Advantage Program, the minimum account size is generally \$500,000.

#### *Account Requirements*

Agreements. In order to participate in these programs, you will be required to sign a three party investment management agreement with Loring Ward and us. You will also be required to sign a brokerage agreement with either Pershing Advisor Solutions or Charles Schwab & Co., Inc. (for the purposes of this Section 4(F)(v), the "clearing broker").

Brokerage. You will direct that all purchase, sale, and exchange orders relating to your account be placed with the clearing broker you select. It is possible that another broker-dealer may execute a transaction at a better quality, speed, or price. For these reasons, directed brokerage accounts may not generate returns equal to those of non-directed accounts.

Custody. The clearing broker you select provides usual and customary custodial services, and Loring Ward provides certain administrative services in connection with the operation of this program. All your cash, securities, and other assets in your account will remain in your or your clearing broker's custody. We will not receive or retain custody of any of your assets in this program. If you forward your cash, securities or other assets to us, we will return them to you so that you can send them to Loring Ward.

Trading Authority. We will not exercise investment discretion in the purchase or sale of securities, except that we have authority to direct Loring Ward or the clearing broker to sell securities, if necessary, solely to pay a fee due to us from your account (see "Taxes" in Item 4(F)). Therefore, except as provided in the previous sentence, we only instruct Loring Ward or the clearing broker to execute transactions in your account which are approved by you. We are authorized to follow your instructions in every respect concerning transactions in your account. However, we may reject any of your instructions if, in our reasonable judgment, such instructions (i) are not consistent with your investment objectives or (ii) if implemented would violate any applicable law, rule, or regulation.

With respect to securities transactions you have approved or those for which we are exercising investment discretion as described above, you will authorize us to direct Loring Ward or the clearing broker to execute all such transactions on your behalf in this program, and Loring Ward and your clearing broker are therefore authorized to follow our instructions in every respect. Such authorization continues until you terminate it via written notice to us and Loring Ward and/or your clearing broker actually receives a copy of such notice.

You will direct your account to be invested in accordance with one or more model portfolios you select. When you select a model portfolio, you are directing that the account be automatically adjusted by Loring Ward to reflect any adjustment in the model portfolio. This authorization will result in the purchase and sale of certain mutual funds without further authorization by you at such time as Loring Ward changes the composition of the selected model portfolio. This authorization will continue until you expressly instruct Loring Ward otherwise. However, you can elect to customize your account.

*Rebalancing.* Unless you affirmatively elect otherwise, your account will be automatically adjusted by Loring Ward to reflect any adjustment in the model portfolios in which your account is invested.

#### 4(F)(vi) ManagersChoice Program

*Description.* This Program is a mutual fund asset allocation program using model portfolios of mutual funds managed by Managers Investment Group LLC ("Managers Group"). Managers Group is an investment firm offering a wide range of investment disciplines and solutions, including mutual funds, separately managed accounts, and

subadvisory services. See [www.managersinvest.com](http://www.managersinvest.com) for more information about Managers Group (Securian makes no representations as to the completeness or accuracy of such materials).

See Managers Group's separate brochure for more information on this program and the model portfolios (Securian makes no representations as to the completeness or accuracy of such materials).

In this program, we will assist you in selecting an allocation strategy based upon your objectives, investment time horizon, and risk tolerance. Such selection shall be from among the various model investment portfolios offered under the ManagersChoice program, a mutual fund asset allocation program using the ManagersChoice model portfolios and allocation services sponsored by Managers Group. The mutual funds offered under the Securian ManagersChoice program are primarily affiliated with Managers Group, but may include other funds as well.

#### *Account Requirements*

Agreements. In order to participate in this program, you will enter into an investment management agreement with us and a separate custodial account agreement with Managers Group.

Brokerage and Custody. Securities transactions are effected directly through the transfer agent for the Managers Group funds, which is BNY Mellon Distributors Holdings, Inc. ("BNY").

BNY provides usual and customary custodial and certain administrative services in connection with the operation of this program. All your cash, securities, and other assets in your account will remain in BNY's custody. We will not receive or retain custody of any of your assets in this program. If you forward your cash, securities or other assets to us, we will return them to you so that you can send them to ManagersChoice.

Trading Authority. We will not generally exercise investment discretion in the purchase or sale of securities in your account, except that we have authority to direct Manager Group or BNY to sell securities, if necessary, solely to pay a fee due to us from your account (see "Taxes" in Item 4(F)). Therefore, we generally only execute transactions in your account which are approved by you. We are authorized to follow your instructions in every respect concerning transactions in your account. However, we may reject any of your instructions if, in our reasonable judgment, such instructions (i) are not consistent with your investment objectives or (ii) if implemented would violate any applicable law, rule, or regulation.

With respect to securities transactions you have approved or those for which we are exercising investment discretion as described above, you will authorize us to direct Managers Group or PFPC Trust to execute all such transactions on your behalf in this program, and Managers Group and PFPC Trust are therefore authorized to follow our instructions in every respect. Such authorization continues until you terminate it via written notice to us and Managers Group and/or PFPC Trust receives a copy of such notice.

The services we provide under this program are non-discretionary. The services provided by Managers Group in connection with this program are discretionary. You will grant investment discretion to Managers Group, and Managers Group will exercise such discretion in the day-to-day management of your account. Managers Group will direct the investment and reinvestment of the assets in your account in accordance with the strategies of the portfolios selected by you. We are not responsible for the investment decisions of Managers Group.

Managers Group may, in its sole discretion, change the model portfolios available in this program and thus reallocate your account.

*Rebalancing.* Your assets will be rebalanced from time to time by Managers Group when the allocation of assets in your account, within certain tolerances, no longer reflects the model portfolio you chose.

*Reallocation.* From time to time, Managers Group may change the funds or allocations that make up their model portfolios. In such an event, your account will be automatically adjusted by Managers Group to reflect any adjustment in the model portfolios in which your account is invested.

4(F)(vii) Genworth Financial Wealth Management Program<sup>3</sup>

*Description.* This is an investment advisory, asset allocation and individual account management program sponsored by us and Genworth Financial Wealth Management, Inc. ("GFWM"), that includes mutual fund, exchange traded fund and various privately managed account investment solutions, each with a number of options and a range of risk/return profiles and asset allocation approaches that permit you to customize a strategy for each account ("Strategy").<sup>4</sup>

We will gather information regarding your financial situation, investment objectives and any investment restrictions and then assist you to determine the suitability of the available Strategies based on such objectives and instructions. While invested through the program, your funds and securities will be maintained by an account custodian or trust company ("Custodian") pursuant to separate agreement between you and the Custodian.

For accounts invested in a mutual fund or ETF investment solution, we will advise you with respect to the selection of a risk/return profile and a corresponding asset allocation approach established by one of the investment management firms providing such models to the program ("Portfolio Strategist") in order to specify a Strategy for each account. Neither we, GFWM, any custodian or any Portfolio Strategist will have any discretionary authority over a mutual fund or ETF account. You will retain full authority to direct the execution of any transaction in such account, including the purchase or sale of any specific mutual fund, or ETF, and to select or change the Strategy for each account. Any Portfolio Strategist is not acting as an investment advisor and does not have any duties or obligations with respect to you.

Privately Managed Accounts ("PMAs") may be invested in an Individually Managed Account ("IMA") or in the Consolidated Managed Account ("CMA") investment solution. For all PMAs, we provide non-discretionary advice to you with respect to the selection of an IMA or CMA investment solution and a Strategy for each Account.

We will also provide you with advice with respect to the selection of (a) one or more investment managers (the "Investment Managers") to provide discretionary investment management services with respect to an IMA, or (b) an investment manager to serve in the capacity of an overlay manager of your account (the "Overlay Manager") with respect to a CMA strategy (the "Investment Managers and the Overlay Managers are, collectively, referred to as the "Discretionary Managers"). The Discretionary Managers will render discretionary management services, but neither we nor any Portfolio Strategist will have any discretionary authority over your account. GFWM, through its Genworth Financial Asset Management division ("GFAM"), may serve as a Discretionary Manager for accounts under the program.

For more information regarding GFWM's services, investment solutions and strategies, see GFWM's separate Platform Disclosure Brochure; for more information regarding GFAM's services and strategies, see GFAM's separate disclosure brochure (Securian makes no representations as to the completeness or accuracy of such materials).

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<sup>3</sup> Formerly known as AssetMark Investment Services Program. Assetmark Investment Services, Inc. was integrated into Genworth Financial Asset Management, forming Genworth Financial Wealth Management, Inc., on August 18, 2008.

<sup>4</sup> As described in Genworth's Platform Disclosure Brochure, Genworth provides model portfolios of variable annuity sub-accounts as well. We have chosen not to participate in the variable annuity sub-account aspect of the program.

## *Account Requirements*

**Agreements.** In order to participate in this program, you will enter into a joint investment management agreement with us, Genworth, and the individual investment managers (“Client Services Agreement”).

***Custodial and Trading Services.*** Pursuant to a separate agreement, a Custodian will provide custodial account services, including trading and custody of individual securities, mutual funds, ETFs and other assets for the benefit of your accounts.

***Trading Authority.*** In mutual fund and ETF accounts you will be solely responsible for directing the investment of the assets in each mutual fund and ETF account. Each account will initially be invested in accordance with the investment solution Strategies selected by you. We are not authorized to exercise any discretion concerning transactions in your account, and all transactions in any mutual fund or ETF account will be executed only in accordance with your express prior authorization as provided in your Client Services Agreement. The Portfolio Strategist will periodically rebalance and adjust the asset allocations applicable to the risk/return profile selected by you. In all purchases, sales and transfers for your account, we and the custodian are authorized to follow your instructions in every respect concerning the account.

In all Privately Managed Accounts, including IMAs or CMAs, each Investment Manager or Overlay Manager will have discretionary power to buy, sell or otherwise effect transactions in stocks, options, bonds, mutual funds, ETFs and any other securities for your account consistent with the Strategy selected by you. The Custodian will generally be responsible for executing trades and selecting brokers or dealers for such execution. However, whenever any Discretionary Manager chooses to execute a trade through other than the Custodian and is responsible for selection of the executing broker or dealer, the Discretionary Manager shall seek to obtain the best price and execution for your account.

***Rebalancing.*** Any portion of your assets in this program that are invested in model portfolios will be rebalanced as described above under Trading Authority.

***Proxies.*** With respect to mutual fund or ETF accounts, you retain the right and responsibility to vote all proxies and to receive other issuer-related material with respect to the securities in your account. With respect to IMAs, you may direct each Discretionary Manager whether to vote the proxies and receive other issuer-related material with respect to the securities held in your account. With respect to CMAs, you may direct the Overlay Manager whether to vote the proxies and receive other issuer-related material with respect to the securities held in your account.

***Conflicts Between Investment Managers.*** If you select more than one Investment Manager/Sub-Manager in this program, each such manager may take action with respect to that portion of your assets for which such manager is responsible that may differ from the timing or nature of action taken by another manager. Thus, a particular security purchased for you by one manager may be sold for you by another manager that manages a different portion of your account. This may result in the realization of a taxable gain or loss, however the loss may be disallowed under the wash sales rules of the Internal Revenue Code. You should consult with your tax advisor regarding the tax consequences of these types of situations (see “Taxes” in Item 4(F)).

### **4(F)(viii) Securian Legacy Advance Program**

***Description.*** This is a program available in conjunction with our affiliate, Securian Trust Company, N.A. (“STC”), through which we will help you select a strategy specific model portfolio and recommend purchases and sales of securities consistent with the model selected. STC, on a discretionary basis, will provide investment management, oversight, custody, trading and other services consistent with the model selected by you. Some or all of your assets may be invested in a portfolio of mutual funds, exchange traded funds, and/or a portfolio of individual securities, depending on the investment strategy you select.

Pursuant to an agreement between us and STC, we refer clients to STC for participation in the Legacy Advance Program. We do not receive any separate fee from STC for such referrals, but, because of our affiliation, this arrangement presents a conflict of interest for us (see Item 10(E), "Conflicts of Interest").

In this program, we collect financial and other data from you, review your investment objective, investment time horizon, and risk profile. We assist you in determining the suitability of the program for you, and then we provide you with investment allocation and securities selection advice with respect to assets in your account.

#### *Account Requirements*

Agreements. In order to participate in this program, you will execute an investment management agreement with us and will also enter into a separate investment management and custodial agreement with STC.

Brokerage and Execution. We do not provide any brokerage services in connection with the program. Brokerage execution services in connection with this program are provided by broker-dealers selected by STC.

STC provides usual and customary custodial and certain administrative services in connection with the operation of this program. All your cash, securities, and other assets in your account will remain in your or STC's custody. In conjunction with this program, however, we are deemed to have custody of your cash, securities, and other assets that you deposit into that program because our affiliate, STC, provides custodial services. You may receive a quarterly, or more frequent, account statement directly from STC. You should review this account statement carefully. We urge you to compare the account statements that you receive from STC with those that you receive from others.

Trading Authority. We will not generally exercise investment discretion in the purchase or sale of securities in your account, except that we have authority to direct STC to sell securities, if necessary, solely to pay a fee due to us from your account (see "Taxes" in Item 4(F)). Therefore, we generally only instruct STC to execute transactions in your account which are approved by you. We are authorized to follow your instructions in every respect concerning transactions in your account. However, we may reject any of your instructions if, in our reasonable judgment, such instructions (i) are not consistent with your investment objectives or (ii) if implemented would violate any applicable law, rule, or regulation.

With respect to securities transactions you have approved or those for which we are exercising investment discretion as described above, you will authorize us to direct STC to execute all such transactions on your behalf in this program, and STC is therefore authorized to follow our instructions in every respect. Such authorization continues until you terminate it via written notice to us and STC receives a copy of such notice.

The services provided by STC in connection with this program are discretionary. You will grant investment oversight discretion to STC, and STC will exercise such discretion to accept or reject our trade recommendations in connection with the day-to-day management of your account. STC will oversee the investment and reinvestment of the assets in your account in accordance with your investment objectives set forth in written instructions to STC and/or in accordance with the strategies of the portfolios you select. You can place reasonable restrictions on the management of your account assets by notifying STC in writing. We are not responsible for the investment decisions of STC.

STC will execute purchases and sales of securities or other property in your account. You should consult your tax professional regarding the tax consequences of such purchases or sales (see "Taxes" in Item 4(F)).

No ERISA Accounts. No account or asset subject to any provision of the Employee Retirement Income Security Act of 1974, as amended, will be accepted under this program.

*Rebalancing.* Your account may be adjusted by STC from time to time in order to reflect adjustments in the model portfolio in which your account is invested.

*Termination.* Termination of your account will not automatically result in the sale of the securities held in your account. You may choose to continue holding these securities pursuant to your agreements with STC or transfer the securities to a different account with a qualified custodian. See “Termination” in Item 4(F) for more information related to the termination of your account.

#### 4(F)(ix) Securian Trust Connection Program

*Description.* This is a program in conjunction with our affiliate, Securian Trust Company, N.A. (“STC”), through which STC, as trustee of a trust, delegates to us on a non-discretionary basis certain of STC’s investment management responsibilities for the trust’s marketable securities. We also provide certain non-investment management services to the trust with respect to other “special assets” held by the trust (i.e. assets which are not marketable securities, such as real property, closely-held securities, personal property, and other tangible and intangible assets). As trustee, however, STC retains final responsibility for management of the trust’s assets. We develop and recommend a strategy-specific model portfolio for the trust, and also recommend purchases and sales of marketable securities, including mutual funds, exchange traded funds, and individual securities, consistent with the model selected. STC, in its capacity as trustee, manages the trust’s portfolio on a discretionary basis and can accept or reject any of our recommendations. All services provided by us are non-discretionary in nature.

We refer clients to STC for participation in the Securian Trust Connection Program. We do not receive any separate fee from STC for such referrals, but, because of our affiliation, this arrangement presents a conflict of interest for us (see Item 10(E), “Conflicts of Interest”).

#### *Account Requirements*

Agreements. In order to participate in this program, STC, on behalf of the trust, will execute an investment management agreement with us. STC has separately agreed to serve as trustee of the trust.

Brokerage. We do not provide any brokerage services in connection with the program. Brokerage execution services in connection with this program are provided by broker-dealers selected by STC.

STC provides usual and customary custodial and certain administrative services in connection with the operation of this program. All your cash, securities, and other assets in the trust’s account will remain STC’s custody. In conjunction with this program, however, we are deemed to have custody of the trust’s cash, securities, and other assets for which we provide investment advisory services because our affiliate, STC, provides custodial services. The trust receives a quarterly, or more frequent, account statement directly from STC. STC, as trustee, may also receive an account statement from us, and if so, it is STC’s responsibility to compare its account statements with those received from us.

Trading Authority. We will not exercise investment discretion in the purchase or sale of securities in your account. Only STC, as trustee, can execute transactions in the trust account.

With respect to securities transactions, the Trust will authorize STC to execute all such transactions on its behalf in this program. Such authorization continues until the trust terminates it via written notice to us and STC receives a copy of such notice.

The services provided by STC in connection with this program are discretionary. STC will have final responsibility to direct the investment and reinvestment of the assets in the trust’s account in accordance with the trust’s investment objectives and/or in accordance with the strategies of the portfolios selected for the trust. We are not responsible for the investment decisions of STC.

*Rebalancing.* We will make periodic recommendations to STC in order to reflect adjustments in the model portfolio in which the trust’s account is invested.



*Termination.* Termination of the trust's agreement with us will not result in the sale of the securities held in the trust's account. The trust's assets will continue to be held in custody by STC. And STC, as trustee, will continue to have responsibility to manage the trust's assets on a discretionary basis. See "Termination" in Item 4(F) for more information related to the termination of your account.

*4(F)(x) Other Investment Advisory Services Provided to Our Affiliates*

We provide various investment advisory services to one or more of our affiliates, including H. Beck, Inc. and Securian Trust Company, N.A. ("STC"). These services may include due diligence with respect to mutual funds, exchange traded funds and other securities, as well as other investment product providers; developing and maintaining preferred lists of mutual funds and exchange traded funds; developing and maintaining model investment portfolios and related asset allocation strategies; and other portfolio management, proposal development and support services.

In addition, in connection with investment management and trust accounts maintained by STC, other than investment management and trust accounts included in the Securian Legacy Advance and Securian Trust Connection Programs, we provide various additional services to STC in connection with its management of such accounts. These services, which we provide on a non-discretionary basis, include recommendations of an allocation strategy and trade recommendations for a specific account consistent with such account's investment objective, risk profile and other characteristics as specified by STC. Such accounts are managed by STC on a discretionary basis, and STC is solely responsible for the day-to-day management of such accounts, including the investment and reinvestment of account assets. When requested by STC, one or more of our investment professionals may also meet with STC and its clients for the purpose of reviewing the client's accounts.

*4(F)(xi) Individually Managed Investment Management Services*

Separate from any of the services described above, we have from time to time agreed to provide investment management services to an individual client account maintained by a qualified custodian selected by the client and acceptable to us. In such cases, we recommend the purchase, sale, and exchange of stocks, corporate bonds, U.S. government bonds, mutual funds, and other securities on a non-discretionary basis, and assist the client in constructing an appropriate portfolio based on the client's investment objectives and guidelines. In recommending the purchase, sale, or exchange of securities on a non-discretionary basis, we consult with and obtain the client's approval, which may be oral, prior to any transaction.

The client has directed us, subject to our obligations under applicable law, to place all purchase, sale, and exchange orders relating to the client's account with the client's custodian for execution. The client will be responsible for paying all custodial costs and all brokerage fees, commissions or other charges imposed by or through the custodian in connection with the custody of assets and the execution of transactions in the client's account. Our ability to achieve best execution may be partially or wholly limited by the nature of such a directed brokerage arrangement, and we may not achieve executions of the nature, quality, speed, or price that it might otherwise achieve when the client's custodian is used to execute transactions. For these reasons, directed brokerage accounts may not generate returns equal to those of non-directed accounts.

For more information please see your investment management agreement and the other documentation related to this program. You may also contact your financial advisor or us for further details.

#### **Item 4(G) Investment Management Services Formerly Offered**

We formerly offered the following investment management services which are no longer available for new clients:

##### **4(G)(i) Lockwood Managed Account Link Program**

*Description.* This was a program that utilized an integrated investment management approach through specialist money managers managing individual portfolios of securities based on a specific investment style. The assets in these accounts were invested in portfolios of individual securities managed by one or more independent, unaffiliated money management firms (“Managers”) made available by Lockwood Advisors, Inc. (“Lockwood”) through its Managed Account Link® (“MAL”) program.

For more information please see Lockwood’s Wrap Fee Program Brochure, your investment management agreement, and the other documentation related to this program (Securian makes no representations as to the completeness or accuracy of such materials). You may also contact your financial advisor or us (see “How to Contact Us” in Item 20) for further details.

##### **4(G)(ii) Lockwood Investment Strategies Program**

*Description.* This program is a discretionary managed account program housed in a single portfolio with five core models and variations thereto which span the risk/return spectrum. Lockwood Advisors, Inc. (“Lockwood”), an independent investment management firm, serves as manager of the products and exercises investment discretion over accounts established under the program.

This program consists of five (5) core models, but a client may also choose from four (4) additional models which include exposure to non-traditional asset classes. Lockwood serves as the portfolio manager, determines asset allocation, and selects sub-managers and investment vehicles for each investment style based on its proprietary modeling strategies, as well as its macroeconomic outlook and investment discipline. Lockwood selects a sub-manager or investment vehicle for each investment style. As overlay manager, Lockwood combines the sub-managers’ model portfolios into one portfolio designed to perform and act similar to the target benchmark for the portfolio, and runs an optimization program that removes security overlap, minimizes tax implications (see “Taxes” in Item 4(F)), and creates better tracking to the index.

For more information please see Lockwood’s Wrap Fee Program Brochure, your investment management agreement, and the other documentation related to this program (Securian makes no representations as to the completeness or accuracy of such materials). You may also contact your financial advisor or us (see “How to Contact Us” in Item 20) for further details.

##### **4(G)(iii) Lockwood Asset Allocation Portfolios Program**

*Description.* This program is a discretionary managed account program housed in a single portfolio with five core models and variations thereto which span the risk/return spectrum. Lockwood Advisors, Inc. (“Lockwood”), an independent investment management firm, serves as manager of the products and exercises investment discretion over accounts established under the program.

Lockwood serves as the portfolio manager, determines asset allocation strategy, and selects investment vehicles for each investment component based on proprietary models. The LAAP Program consists of five core models, which may consist of mutual funds, exchange-traded funds, and other types of securities as determined by Lockwood, which exercises discretion over accounts established under the Program.

Lockwood serves as the portfolio manager for each of the five (5) models in this program. As portfolio manager, Lockwood determines asset allocation strategy and selects investment vehicles for each investment style component of the portfolios, based upon proprietary modeling strategies, macroeconomic outlook, and

investment research discipline. The models range from the most conservative model, with the majority of the model allocated to fixed income and the balance to equities, to the most aggressive model, with 100% of the model allocated to equities.

For more information please see the Lockwood's Wrap Fee Program Brochure, your investment management agreement, and the other documentation related to this program (Securian makes no representations as to the completeness or accuracy of such materials). You may also contact your financial advisor or us (see "How to Contact Us" in Item 20) for further details.

4(G)(iv) SEI Personal Trust Services Program

*Description.* This is a program available through SEI Private Trust Company ("SEI Trust"), trust company affiliated with SIMCO. In this program, on a non-discretionary basis, we assist you in determining the suitability of the program and then in selecting a model portfolio and opening a custodial account with SEI Trust. We also assist you in communicating to SEI Trust the model portfolio selected by you. We provide ongoing account monitoring and allocation advice, including client communication or consultation at least annually, as part of our services under this program.

For more information please see your client agreement and the other documentation related to this program. You may also contact your financial advisor or us (see "How to Contact Us" in Item 20) for further details.

**ITEM 5: FEES AND COMPENSATION**

**Item 5(A) General Fees**

Except as otherwise described in this Item 5, the maximum fees payable to us for the programs listed in Item 5 are equal to a specified annual percentage of assets under management as set forth below.

<b>ACCOUNT ASSETS</b>	<b>ANNUAL FEE (as percentage of assets)</b>
First \$500,000	1.75 %
Next \$1.5 million (\$500,001 to \$2.0 million)	1.10 %
Next \$1.0 million (\$2,000,001 to \$3.0 million)	.90 %
Next \$1.0 million (\$3,000,001 to \$4.0 million)	.70 %
Next \$1.0 million (\$4,000,001 to \$5.0 million)	.45 %
Over \$5.0 million	.20 %

However, financial advisors are authorized to negotiate different rates than those in the above table, subject to limitations imposed by us. In addition, as described herein, fees for financial planning and certain other services may be charged on an hourly basis or as a fixed amount. Each financial advisor assigned to your account will be

compensated for services to you by receiving a percentage of the compensation received by Securian in accordance with the fee schedule attached to your investment management agreement with us. Financial advisor compensation ranges from 30% to 56% of the total compensation such financial advisor's sales and other activities produce for Securian in any given twelve month period. Therefore, depending upon the financial advisor's total sales and revenue production from all clients, the financial advisor's compensation for the services provided to you may range from 30% to 56% of the compensation received by Securian pursuant to the formula described in your investment management agreement with us, and it can change each month depending upon the financial advisor's total revenue production for Securian.

Each Consultant also has one or more supervisors who do not directly provide services to clients. However, as compensation for the supervisory services performed by these supervisors, Securian pays such supervisors a percentage of the compensation received by Securian from clients. Some of these supervisors may share some of that compensation with the Consultants they supervise, in which case those Consultants will receive compensation in excess of the amounts described in the preceding paragraph.

Your investment management fee will be set forth in your investment management agreement, financial planning agreement or other similar agreement. Our investment management fees will generally be paid first out of cash balances, from the liquidation or withdrawal of shares of any money market funds or balances in any money market account, and, to the extent such assets are insufficient to satisfy payment of the fee, from the sale and liquidation of other assets in your account.

In addition to the fees described in Item 5, your account may incur charges in addition to the advisory fee. Please see Securian's Client Commission and Fee Schedule for details on these charges.

As noted throughout this document, various different situations and programs present a conflict of interest for us and/or your financial advisor. For more information about conflicts of interest and how they may arise in connection with compensation to your financial advisor, see Item 10, "Conflicts of Interest."

#### **Item 5(B) Financial and Business Planning Fees**

Financial or business planning services are provided in exchange for an hourly fee not to exceed \$500 per hour or a fixed fee, which in either case is negotiable. This fee may vary from client to client based upon the complexity of the client's financial position as well as the client's financial objectives.

A portion of the fee is generally paid in advance. The actual amount of any fee paid in advance is negotiated between you and your financial advisor, subject to limitations imposed by Securian. In no event, however, are fees of more than \$1,200 required to be paid six months or more in advance of performance of services by Securian.

If your planning services agreement is terminated prior to the delivery of your final financial or business plan, our fees will be prorated based upon the degree to which we have completed your financial or business planning services as of the termination date.

The business planning services described in this brochure, including estimated business valuations, are provided by Securian and by your financial advisor acting as Securian's investment adviser representative. If an estimated business valuation is included in the business planning services, Securian and its investment adviser representative will use software developed by Minnesota Life Insurance Company ("Minnesota Life") to determine the estimated business valuation. You will be charged a fee by Securian for all such services, including any estimated business valuation, as described in this Item 5(B).

In addition to serving as Securian's investment adviser representative, your financial advisor is also an insurance agent appointed by Minnesota Life. Your financial advisor, acting as an insurance agent for Minnesota Life, has the option to use Minnesota Life's business valuation software to provide an estimated business valuation at no cost. In such a case, neither the estimated business valuation, nor any other business planning service, is provided by

Securian. If you receive an estimated business valuation at no cost, it is provided to you by your financial advisor acting solely in the advisor's capacity as an insurance agent for Minnesota Life. Ask your financial advisor for details.

#### **Item 5(C) Retirement Plan Services – Plan Level Advisory Fees**

Retirement plan services are provided in exchange for a fee which is negotiable. This fee may be a fixed fee, an asset-based fee (which may not exceed the maximum fees shown in the table in Item 5(A)), or a combination thereof, and may vary from client to client, based upon the complexity of the retirement plan, the plan's objectives, and the services to be provided. Fees are payable each calendar quarter in advance. You may also be charged for any and all applicable sales or use taxes, however designated or levied.

One or more of our affiliates issue group variable annuities to retirement plans (see Item 10(D)(vi), "Affiliates as Providers of Retirement Plans"). Our affiliates also receive compensation as investment managers of some mutual funds (see Item 10(D)(iv), "Affiliates as Sub-Advisors to Certain Mutual Funds"). While we receive no direct benefit from these arrangements, this presents a conflict of interest for us (see Item 10(E), "Conflicts of Interest"). None of the compensation our affiliates receive under these arrangements is credited back to you in calculating our investment management fee.

If the retirement plan services agreement is terminated prior to the end of its term or any renewal term, our fees will be prorated based upon the number of days elapsed in the quarter prior to the termination date. You will also be responsible for all reimbursable out of pocket expenses that have been unpaid as of such termination date.

#### **Item 5(D) Retirement Plan Services - Participant Level Advisory Fees**

Our Investment Management Fees. The fees payable by you to us for participant advisory services are negotiable on a case by case basis, subject to limitations imposed by Securian.. Your plan must permit our fees to be deducted and paid from your retirement plan account. In those situations, we may come to an agreement with the plan provider regarding the fees we will charge participants in that plan. Fees may be asset based or a flat fee. Regardless of what billing arrangement is utilized, our fees will be clearly set forth in our agreement with you and may not exceed the maximum fees described in Item 5(A).

If your investment advisory agreement for participant advisory services is terminated other than at the end of a quarterly period, the final fee will be based on the value of the securities in your retirement plan account on the termination date and will be prorated based upon the number of days elapsed in the quarter prior to the termination date.

Other Costs For Which You Are Responsible. You will be responsible for paying directly any fees or charges associated with securities transactions in your retirement plan account, which may include: (i) commissions or other charges imposed by broker-dealers or other entities for executing and/or clearing transactions; (ii) transaction fees (e.g. sales loads or deferred sales charges) related to investments in collective investment vehicles (e.g. mutual funds); (iii) dealer markups or markdowns; (iv) costs relating to trading in foreign securities; (v) expenses charged by your retirement plan, (vi) costs related to individual retirement accounts; and (vii) charges imposed by law. See your plan documentation and all other information provided to you related to your retirement plan account (e.g. any prospectuses, other disclosure documents, or any reports) for more details with respect to these costs (Securian makes no representations as to the completeness or accuracy of such materials).

You will bear a portion of the operating expenses of any collective investment vehicles, such as mutual funds, closed-end funds, unit investment trusts, exchange-traded funds, or real estate investment trusts held in your retirement plan account. The amount of these expenses varies from fund to fund, and these expenses are usually set forth as a percentage of the overall net assets of the fund. Information on the specific expenses for each collective investment vehicle will be set forth in the prospectus and periodic reports provided to you by the

collective investment vehicles or in the documentation related to your retirement plan (Securian makes no representations as to the completeness or accuracy of such materials).

#### **Item 5(E) Seminar and Educational Services Fees**

Individuals participating in the seminars or educational services will typically be charged a fixed fee not to exceed \$199 per person. In certain instances, however, an employer or other organization may agree to bear the cost of sponsoring a seminar or educational service for a group of employees or other individuals. In those cases the individuals attending the seminar or educational service are not charged a separate fee for their participation. The financial advisor presenting the seminar or educational service determines the actual amount of the fee. For educational services, the fees as negotiated will be set forth in our agreement with each client for such services.

#### **Item 5(G) Solicitor Services Fees**

We will not charge you any fees for our services. However, we will receive from the Sponsor a portion of the fees paid by you to such Sponsor. The fees payable by you for participating in the Sponsored Program you select are determined by and payable to the Sponsor. A schedule of fees, including the portion thereof that will be paid to us by the Sponsor, for the Sponsored Program selected by you, will be provided to you by the Sponsor.

#### **Item 5(H) Investment Management Services Fee for Current Programs**

Fees for each of the investment management services currently offered are subject to the limits shown in the table in Item 5(A), except as otherwise stated below.

##### *5(H)(i) Portfolio Solutions I Program Fees*

**Our Investment Management Fee.** Our investment management fees are payable in advance, will be withdrawn from your account within the first two weeks of each calendar quarter, and will be calculated by multiplying  $\frac{1}{4}$  of the annual rate set forth in your contract (see Item 5(A), “General Fees”) by the value of the assets in your account on the last business day of the calendar quarter. If you start this program at any time other than the beginning of a calendar quarter, the initial quarterly investment management fee will be prorated based on the number of days remaining in the quarter. If you make additions to your account (which are greater than the minimum we establish from time to time) during a calendar quarter, we will charge you an additional fee for such additions in the next calendar quarter. If you withdraw assets from your account (which are greater than the minimum we establish from time to time) during a calendar quarter, we will credit the fees paid with respect to the withdrawn assets towards the fees owed for the next calendar quarter on a pro-rata basis based upon the number of days remaining in the calendar quarter. In the event that the program is terminated by either party, the fees you pay us for the quarter in which termination occurs will be prorated based upon the number of days elapsed in the quarter prior to the termination date. We will not charge you any fees for terminating your account, however Pershing may charge a termination fee on IRA accounts.

**Other Costs For Which You Are Responsible.** You will bear a portion of the operating expenses of any collective investment vehicles, such as mutual funds, closed-end funds, unit investment trusts, or exchange-traded funds held in your account. The amounts of these expenses vary from fund to fund and are usually set forth as a percentage of the overall net assets of the fund or trust. Information on the specific expenses for each collective investment vehicle will be set forth in the prospectus and periodic reports provided to you by the collective investment vehicles (Securian makes no representations as to the completeness or accuracy of such materials).

Pershing makes certain mutual funds (the “FundVest Funds”) available to this program that do not have transaction fees (e.g. sales loads or deferred sales charges), provided they are held for at least six months. If the FundVest funds are held for less than six months, we bear any transaction fees in those cases. In addition, other funds are made available to this program through our clearing agreement with Pershing, and, provided that such funds are held at least six months, we bear any transaction fees in those cases. Where such funds are held for less

than six months, you must pay all transaction fees. See the prospectus for each fund for a description of the transactions fees in the event that the fund is held less than six months (Securian makes no representations as to the completeness or accuracy of such materials).

In the event municipal bonds, U.S. Government bonds, corporate bonds, equity securities, or other individual securities are traded in your account, you will be responsible for paying any fees or charges associated with transactions in such securities in your account, including, but not limited to: (i) commissions or other charges imposed by broker-dealers or other entities for executing and/or clearing transactions; (ii) dealer markups or markdowns; (iii) costs relating to trading in foreign securities; and (iv) charges imposed by law. See the brokerage agreement with us related to this account or ask your financial advisor for more information regarding these fees. This presents a conflict of interest for us because, as the introducing broker-dealer on your account (see “Brokerage” below), we receive additional compensation with respect to such transactions (see Item 10(E), “Conflicts of Interest”).

You may also be charged for specific account services, such as transfers, annual and termination fees for retirement accounts, wire transfer charges, custodial fees, and charges for optional services you select. If you choose to have trade confirmations delivered by mail rather than delivered electronically, there will be a charge for each trade confirmation. See the brokerage agreement with us related to this account or ask your financial advisor for more information regarding these fees.

Other Compensation We May Receive. We receive 12b-1 and other fees from the FundVest Funds or other mutual funds available through this program which are in addition to the fees which we receive from you. The securities trades directed to Pershing in this program are included in the calculation of assets we introduce to Pershing and therefore may result in reduced fees charged to us by Pershing or in our receipt of additional services from Pershing. The investment managers for certain of the mutual funds available through this program are directly or indirectly affiliated with us and receive compensation for their investment management services (see Item 10(D)(iv), “Affiliates as Sub-Advisors to Certain Mutual Funds”). We receive from Pershing a portion of the revenue sharing payments Pershing receives in connection with the sale and retention of the funds that participate in Pershing’s FundVest program. These fees are paid in accordance with an asset-based formula. For additional details regarding the FundVest program please refer to [www.pershing.com/mutual\\_fund.htm](http://www.pershing.com/mutual_fund.htm) (Securian makes no representations as to the completeness or accuracy of such materials). We receive marketing support payments from the investment advisers, principal underwriters, or other affiliates of the mutual funds which participate in our Strategic Partner Program (see Item 10(E)(v), “Strategic Partner Program”). As the introducing broker-dealer for your account, we receive additional compensation with respect to transactions in municipal bonds, U.S. Government bonds, corporate bonds, equity securities, exchange traded funds, or other individual securities in your account (see Other Costs For Which You Are Responsible above). None of the compensation we receive under these arrangements is credited back to you or offset against our investment management fees.<sup>5</sup> All of these situations present a conflict of interest for us (see Item 10(E), “Conflicts of Interest”).

Other Compensation Pershing May Receive. Pershing receives 12b-1 and other fees from the FundVest Funds or other mutual funds available through this program. Pershing receives payments, commonly referred to as “revenue sharing,” from the investment advisers, principal underwriters, or other affiliates of the FundVest Funds. Pershing also receives operational reimbursements from some of the FundVest Funds in the form of networking or omnibus processing fees. These fees are based on a flat fee per holding and paid to Pershing in exchange for various services Pershing provides the FundVest Funds, such as accounting services, dividend calculation and posting, reconciliation, client confirmations, statement preparation and mailing, and tax statement preparation and mailing. For additional details regarding these revenue sharing payments or a listing of funds that pay Pershing networking or omnibus fees, please refer to [www.pershing.com/mutual\\_fund.htm](http://www.pershing.com/mutual_fund.htm) (Securian makes no representations as to the completeness or accuracy of such materials). In addition, certain money market or other fund managers are directly or indirectly affiliated with Pershing and receive compensation for their

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<sup>5</sup> 12b-1 fees for accounts subject to Title I of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”) are not retained by us and are instead credited back to the account.

investment management services. None of the compensation Pershing receives under these arrangements is credited back to you.

#### 5(H)(ii) Portfolio Solutions II Program Fees

**Our Investment Management Fee.** Our investment management fees are payable in advance, will be withdrawn from your account within the first two weeks of each calendar quarter, and will be calculated by multiplying  $\frac{1}{4}$  of the annual rate set forth in your contract by the value of the assets in your account on the last business day of the calendar quarter. If you start this program at any time other than the beginning of a calendar quarter, the initial quarterly investment management fee will be prorated based on the number of days remaining in the quarter. If you make additions to your account during a calendar quarter, we will charge you an additional fee for such additions in the next calendar quarter. However, if you withdraw assets from your account during a calendar quarter, we will credit the fees paid with respect to the withdrawn assets towards the fees owed for the next calendar quarter. See the table below for our maximum annual fee for this program. In the event that the program is terminated by either party, any investment management fee paid by you to us during the calendar quarter in which the program is terminated shall be returned on a pro rata basis. Specifically, we shall return to you a portion of the investment management fee paid to us based upon the number of days remaining in the calendar quarter after the program is terminated. We will not charge you any fees for terminating your account, however Pershing may charge a termination fee on IRA accounts.

**Other Costs For Which You Are Responsible.** You will bear a portion of the operating expenses of any collective investment vehicles, such as mutual funds, closed-end funds, unit investment trusts, or exchange-traded funds held in your account. The amounts of these expenses vary from fund to fund and are usually set forth as a percentage of the overall net assets of the fund or trust. Information on the specific expenses for each collective investment vehicle will be set forth in the prospectus and periodic reports provided to you by the collective investment vehicles (Securian makes no representations as to the completeness or accuracy of such materials).

All of the mutual funds in this program are made available by Schwab and have no transaction fees (e.g. sales loads or deferred sales charges), provided that such funds are held at least six months. See the prospectus for each fund for a description of the transactions fees in the event that the fund is held less than six months (Securian makes no representations as to the completeness or accuracy of such materials).

In the event municipal bonds, U.S. Government bonds, corporate bonds, equity securities, exchange traded funds, or other individual securities are traded in your account, you will be responsible for paying any fees or charges associated with transactions in such securities in your account, including, but not limited to: (i) commissions or other charges imposed by broker-dealers or other entities for executing and/or clearing transactions; (ii) dealer markups or markdowns; (iii) costs relating to trading in foreign securities; and (iv) charges imposed by law. See your brokerage agreement with Schwab or ask your financial advisor for more details regarding these costs.

If you choose to enter into a Prime Brokerage Services Agreement with Schwab as described below, you will be charged a Prime Brokerage Service Fee by Schwab for each order entered at an executing broker on your behalf. You will also be responsible for any and all costs charged by the executing brokers, including any of the types of costs outlined in the previous paragraph. See your Prime Brokerage Services Agreement with Schwab or ask your financial advisor for more information regarding these costs.

You may also be charged for specific account services, such as transfers, annual and termination fees for retirement accounts, wire transfer charges, custodial fees, and charges for optional services you select. If you choose to have trade confirmations delivered by mail rather than delivered electronically, there will be a charge for each trade confirmation. See your brokerage agreement with Schwab or ask your financial advisor for more information regarding these costs.



Other Compensation We May Receive. The investment managers for certain of the mutual funds available through this program are directly or indirectly affiliated with us and receive compensation for their investment management services (see Item 10(D)(iv), “Affiliates as Sub-Advisors to Certain Mutual Funds”), which presents a conflict of interest for us (see Item 10(E), “Conflicts of Interest”). None of the compensation those affiliates receive under these arrangements is credited back to you or offset against our investment management fee.

Other Compensation Schwab May Receive. Schwab receives 12b-1 and other fees from the funds made available for this program. Schwab receives payments, commonly referred to as “revenue sharing,” from the investment advisers, principal underwriters, or other affiliates of the funds made available for this program. In addition, certain mutual fund managers are directly or indirectly affiliated with Schwab and receive compensation for their investment management services. None of the compensation Schwab receives under these arrangements is credited back to you. For more information regarding these fees, please see the fee and expense information in the prospectus provided to you by Schwab (Securian makes no representations as to the completeness or accuracy of such materials).

#### 5(H)(iii) SEI Asset Allocation Program Fees

Our Investment Management Fee. Our investment management fees are payable in arrears, will be withdrawn from your account within the first two weeks of each calendar quarter, and will be calculated by multiplying  $\frac{1}{4}$  of the annual rate set forth in your contract (see Item 5(A), “General Fees”) by the value of the assets in your account on the last day of the calendar quarter. If you start this program at any time other than the beginning of a calendar quarter, the initial quarterly investment management fee will be prorated based on the number of days remaining in the quarter. If you make additions to or withdrawals from your account, no adjustment will be made to our investment management fees. In the event that the program is terminated by either party, our investment management fee for the quarter in which the termination occurs will be prorated based upon the number of days elapsed in the quarter prior to the termination date. We will not charge you any fees for terminating your account.

Other Costs For Which You Are Responsible. You will bear a portion of the operating expenses of the mutual funds held in your account. The amounts of these expenses vary from fund to fund and are usually set forth as a percentage of the overall net assets of the fund. Information on the specific expenses for each collective investment vehicle will be set forth in the prospectus and periodic reports provided to you by the collective investment vehicles (Securian makes no representations as to the completeness or accuracy of such materials).

All of the mutual funds SEI makes available to this program have no transaction fees (e.g. sales loads or deferred sales charges).

You may also be charged certain fees by SEI or one of its affiliates if the value of the assets in your account is less than certain minimums established from time to time by SEI. You may also be charged for specific account services, such as transfers, annual and termination fees for retirement accounts, wire transfer charges, and charges for optional services you select. See your custody agreement or ask your financial advisor for more information regarding these fees.

Other Compensation Your Financial Advisor May Receive. Please see Item 10(E)(iii) “Marketing & Other Assistance.”

Other Compensation SEI May Receive. The investment manager for each mutual fund is an affiliate of SEI and such managers receive fees for their services. None of the compensation SEI or its affiliates receive under these arrangements is credited back to you. For more information about other fees that may be charged by SEI Trust, see SEI Trust’s fee schedule (Securian makes no representations as to the completeness or accuracy of such materials).

5(H)(iv) SEI Managed Account Program and Distribution Focused Strategies Fees

Our Investment Management Fee. Our investment management fees are payable in arrears, will be withdrawn from your account within the first two weeks of each calendar quarter, and will be calculated by multiplying  $\frac{1}{4}$  of the annual rate set forth in your contract (see Item 5(A), "General Fees") by the value of the assets in your account on the last day of the calendar quarter. If you start this program at anytime other than the beginning of a calendar quarter, the initial quarterly investment management fee will be prorated based on the number of days remaining in that quarter. If you make additions to or withdrawals from your account, no adjustment will be made to our investment management fees. In the event that the program is terminated by either party, our investment management fee for the quarter in which the termination occurs will be prorated based upon the number of days elapsed in the quarter prior to the termination date. We will not charge you any fees for terminating your account.

Other Costs For Which You Are Responsible. You will pay separate advisory fees to SIMCO for their services which include the fees of the portfolio managers. Additionally, if you choose to utilize the IMAP feature, you will be responsible for an integration fee for that feature. These additional fees only apply to the equity portion of your account that is allocated to the integrated equities portfolio; the fees do not apply to the fixed income or funds portion of the your account (if applicable). See SIMCO's Wrap Fee Program Brochure and fee schedule for more details on these fees (Securian makes no representations as to the completeness or accuracy of such materials).

You will bear a portion of the operating expenses of any collective investment vehicles, such as mutual funds, closed-end funds, unit investment trusts, or exchange-traded funds held in your account. The amounts of these expenses vary from fund to fund and are usually set forth as a percentage of the overall net assets of the fund. Information on the specific expenses for each collective investment vehicle will be set forth in the prospectus and periodic reports provided to you by the collective investment vehicles (Securian makes no representations as to the completeness or accuracy of such materials).

You may also be charged for specific account services, such as transfers, annual and termination fees for retirement accounts, wire transfer charges, custodial fees, and charges for optional services you select. SEI Trust will provide you a complete fee schedule detailing all such fees.

Other Compensation Your Financial Advisor May Receive. Please see Item 10(E)(iii) "Marketing & Other Assistance."

Other Compensation SIMCO May Receive. SIMCO or its affiliates may receive certain fees from the mutual funds available through this program which are in addition to the fees received from you. SIMCO and its affiliates are investment managers for some of the mutual funds available through this program and receive fees for their investment management services. Certain affiliates of SIMCO or the portfolio managers may receive compensation for effecting securities transactions in your account. None of the compensation SIMCO, the portfolio managers, or its or their affiliates receive under these arrangements is credited back to you.

SIMCO will charge you a fee of \$75 if your participation in this program is terminated and you do not maintain your account through another investment advisor with SEI Trust. In the event that the program is terminated by either party, the fees charged to you by SIMCO for the quarter in which the termination occurs will be prorated based upon the number of days elapsed in the quarter prior to the termination date.

For more information about SIMCO's fees, see SIMCO's wrap fee program brochure and fee schedule (Securian makes no representations as to the completeness or accuracy of such materials).

#### 5(H)(v) Loring Ward Structured Investing Program Fees

Our Investment Management Fee. Our investment management fees are payable in advance, will be withdrawn from your account within the first two weeks of each calendar quarter, and will be calculated by multiplying  $\frac{1}{4}$  of the annual rate set forth in your contract (see Item 5(A), "General Fees") by the value of the assets in your account on the last business day of the calendar quarter. If you start this program at any time other than the beginning of a calendar quarter, the initial quarterly investment management fee will be prorated based on the number of days remaining in the quarter. Additional deposits of funds and/or any other securities into the client's account will be subject to the same fees, prorated based on the number of days remaining in the quarter. No adjustment will be made to our fees for withdrawals made during a calendar quarter. In the event that the program is terminated by either party, our investment management fee for the quarter in which the termination occurs will be prorated based upon the number of days elapsed in the quarter prior to the termination date. We will not charge you any fees for terminating your account.

Other Costs For Which You Are Responsible. You will bear a portion of the operating expenses of any collective investment vehicles, such as mutual funds, closed-end funds, unit investment trusts, or exchange-traded funds held in your account. The amounts of these expenses vary from fund to fund and are usually set forth as a percentage of the overall net assets of the fund. Information on the specific expenses for each collective investment vehicle will be set forth in the prospectus and periodic reports provided to you by the collective investment vehicles (Securian makes no representations as to the completeness or accuracy of such materials).

All of the mutual funds Loring Ward makes available to this program have no transaction fees (e.g. sales loads or deferred sales charges), however the clearing brokers utilized for this program do charge various ticket charges for investments in the mutual funds made available for this program. Please see your agreement with your clearing broker for more information.

In the event municipal bonds, U.S. Government bonds, corporate bonds, equity securities, exchange traded funds, or other individual securities are traded in your account, you will be responsible for paying any fees or charges associated with transactions in such securities in your account, including, but not limited to: (i) commissions or other charges imposed by broker-dealers or other entities for executing and/or clearing transactions; (ii) dealer markups or markdowns; (iii) costs relating to trading in foreign securities; and (iv) charges imposed by law. See your brokerage agreement with your clearing broker or ask your financial advisor for more information regarding these fees.

You may also be charged a custodial fee by your clearing broker. You may also be charged for specific account services, such as transfers, annual and termination fees for retirement accounts, wire transfer charges, and charges for optional services you select. See your agreement with your clearing broker or ask your financial advisor for more information regarding these costs.

Other Compensation Loring Ward May Receive. For accounts in the Advantage Program, you will pay Loring Ward a negotiated administrative fee based upon the total amount of funds you and we have under administration with Loring Ward in accordance with the investment management agreement between Loring Ward, you and us. Investments in the SA Funds are excluded from the administrative fee because Loring Ward receives certain fees and expenses directly from the SA Funds. Also, several of the mutual fund managers are directly or indirectly affiliated with Loring Ward and receive compensation for their investment management services. None of the compensation received by Loring Ward or its affiliates under these arrangements is credited back to you. For more information see Loring Ward's wrap fee program brochure and fee schedule (Securian makes no representations as to the completeness or accuracy of such materials).

#### 5(H)(vi) ManagersChoice Program Fees

Our Investment Management Fee. Our investment management fees are payable in arrears, will be withdrawn from your account within the first two weeks of each calendar quarter, and will be calculated by

multiplying  $\frac{1}{4}$  of the annual rate set forth in your contract (see Item 5(A), "General Fees") by the average daily value of the assets in your account during the preceding calendar quarter. If you start this program at any time other than the beginning of a calendar quarter, the initial quarterly investment management fee will be prorated based on the number of days remaining in that quarter. In the event that the program is terminated by either party, our investment management fee for the quarter in which termination occurs will be prorated based upon the number of days elapsed in the quarter prior to the termination date. We will not charge you any fees for terminating your account.

Other Costs For Which You Are Responsible. You will bear a portion of the operating expenses of the mutual funds held in your account. The amount of these expenses vary from fund to fund and are usually set forth as a percentage of the overall net assets of the fund. Information on the specific expenses for each collective investment vehicle will be set forth in the prospectus and periodic reports provided to you by the collective investment vehicles (Securian makes no representations as to the completeness or accuracy of such materials).

All of the mutual funds Managers Group makes available to this program have no transaction fees (e.g. sales loads or deferred sales charges).

Other Compensation Managers Group May Receive. The investment manager for each mutual fund available through this program is Managers Group which receives fees for its services. None of the compensation Managers Group receives under these arrangements is credited back to you. For more information see Managers Group's wrap fee program brochure and fee schedule (Securian makes no representations as to the completeness or accuracy of such materials).

#### 5(H)(vii) Genworth Financial Wealth Management Program Fees

Our Investment Management Fee. Our investment management fees are payable in advance, will be withdrawn from your account within the first two weeks of each calendar quarter, and will be calculated by multiplying  $\frac{1}{4}$  of the annual rate set forth in your contract, subject to the maximum fees set forth in the table below, by the average daily value of the assets in your account during the preceding calendar quarter. Upon establishment of your account you will pay an initial quarterly account fee for the quarter in which your account is established, and with respect to any additional amounts invested in the account after the initial establishment, you will pay an initial quarterly account fee on any such additions. The quarterly account fee for the initial quarter will be 25% of the annual account fee based on the value of the assets initially invested or added to the account. Thereafter the quarterly account fee will be payable in advance for each succeeding calendar quarter on the first day of the quarter, and will be calculated based on the average daily value of client account assets under management during the immediately preceding calendar quarter. In the event that the program is terminated by either party, our investment management fee for the quarter in which termination occurs will be prorated based upon the number of days elapsed in the quarter prior to the termination date. We will not charge you any fees for terminating your account. The fees charged to you by Discretionary Managers for the quarter in which the termination occurs will be prorated based upon the number of days elapsed in the quarter prior to the termination date.

The table below, rather than the table in Item 5(A), describes our maximum annual fees for this program. Fees shown in the tables below, to the extent they exceed the fees shown in the fee schedule in Section 5(A), will be used to compensate GFWM for its services in connection with this program.

<b>Mutual Fund Program</b>		<b>Exchange Traded Funds (ETFs)</b>	
Account Assets	Maximum Annual Fee (as percentage of assets)	Account Assets	Maximum Annual Fee (as percentage of assets)
\$0-\$250,000	2.20%	\$0-\$250,000	2.40%
\$250,001-\$500,000	2.15%	\$250,001-\$500,000	2.40%
\$500,001-\$1,000,000	1.60%	\$500,001-\$1,000,000	1.65%
\$1,000,001-\$2,000,000	1.40%	\$1,000,001-\$2,000,000	1.60%
\$2,000,001-\$3,000,000	1.10%	\$2,000,001-\$3,000,000	1.30%
\$3,000,001-\$4,000,000	0.90%	\$3,000,001-\$4,000,000	1.10%
\$4,000,001-\$5,000,000	0.65%	\$4,000,001-\$5,000,000	1.05%
\$5,000,001 and over	0.40%	\$5,000,001 and over	0.85%

  

<b>Individually Managed Accounts</b>		<b>Consolidated Managed Accounts</b>	
Account Assets	Maximum Annual Fee (as percentage of assets)	Account Assets	Maximum Annual Fee (as percentage of assets)
\$0-\$250,000	2.50%	\$0-\$500,000	2.65%
\$250,001-\$500,000	2.25%	\$500,001 - \$1,000,000	2.00%
\$500,001-\$1,000,000	1.60%	\$1,000,001-\$2,000,000	1.95%
\$1,000,001-\$2,000,000	1.55%	\$2,000,001 - \$3,000,000	1.75%
\$2,000,001-\$3,000,000	1.35%	\$3,000,001 - \$4,000,000	1.50%
\$3,000,001-\$5,000,000	1.10%	\$4,000,001 - \$5,000,000	1.30%
\$5,000,001 and over	0.85%	\$5,000,001 and over	1.15%

**Other Costs For Which You Are Responsible.** You will bear a portion of the operating expenses of the mutual funds and ETFs held in your account. The amount of these expenses varies from fund to fund, and it is usually set forth as a percentage of the overall net assets of the fund. Information on the specific expenses for each of the mutual funds and ETFs will be set forth in the fund's prospectus and periodic reports provided to you by the fund (Securian makes no representations as to the completeness or accuracy of such materials).

You will be responsible for paying directly the charges of the third party custodian(s), including: (i) commissions or other charges imposed by broker-dealers or other entities for executing and/or clearing transactions; (ii) dealer markups or markdowns; (iii) costs relating to trading in foreign securities; (iv) charges imposed by law; and (v) custody or transfer fees. See GFWM's Platform Disclosure Brochure and the agreement with such custodian(s) for more details on these fees (Securian makes no representations as to the completeness or accuracy of such materials). The Custodian will receive a Shareholder Servicing Fee from each mutual fund family included in the mutual fund accounts generally equal to 0.25% to 0.35% per annum of the amount invested through this program in the mutual funds of each fund family.

All mutual funds available to this program do not have transaction fees (e.g. sales loads or deferred sales charges). Accounts invested in portfolios that include ETFs will be subject to transaction costs, or asset-based pricing fees pursuant to your separate agreement with the account custodian.

If you utilize an IMA, you will pay investment management fees directly to the Investment Managers designated by you to manage your account. More details on these fees can be found in the materials provided to you by GFWM and/or GFAM which describe each Investment Manager. If you utilize a CMA, you will not pay additional investment management fees to the Sub-Managers.

You may also be charged for specific account services, such as transfers, annual and termination fees for retirement accounts, wire transfer charges, custodial fees, and charges for optional services you select. For more

information please see, your investment management agreement, GFWM's Platform Disclosure Brochure, and the other documentation related to this program (Securian makes no representations as to the completeness or accuracy of such materials). You may also contact your financial advisor or us (see Item 20, "How to Contact Us") for further details.

Other Compensation We May Receive. In the event that your account is invested in models (i.e. the GPS Strategies or Altegris Strategies) comprised solely GuidePath and GuideMark Funds (formerly known as AssetMark Funds), GFWM will waive its fee charged to us for your accounts invested in such models.

The fee we pay GFWM for its services is negotiable based upon the total assets we introduce to GFWM through this program. Also, the fee we pay GFWM for its services is negotiable for any account which is in excess of \$5,000,000.

Our savings under these arrangements are not credited back to you or offset against our investment management fee.

We may also receive marketing support payments based on total assets in our client accounts with GFWM and/or gross new contributions to our client accounts with GFWM that are managed by us.

All of these arrangements present a conflict of interest for us and/or your financial advisor (see Item 10(E), "Conflicts of Interest").

Other Compensation Your Financial Advisor May Receive. Please see Item 10(E)(ii), "Non-Cash Compensation from Third Parties," and Item 10(E)(iii), "Marketing & Other Assistance."

Other Compensation GFWM or GFAM May Receive. In the event that your account is invested in any of the GuidePath or GuideMark Funds, GFWM and its affiliates will receive compensation as the investment advisor and distributor of the GuidePath or GuideMark Funds. Certain custodians pay a fee to GFWM in consideration for certain services provided to the custodian by GFWM. Also, several of the mutual fund managers are directly or indirectly affiliated with GFWM or GFAM receive compensation for their investment management services. None of the compensation GFWM or GFAM receives under these arrangements is credited back to you. For more information see GFWM's Platform Disclosure Brochure, GFAM's Disclosure Brochure, and their fee schedules (Securian makes no representations as to the completeness or accuracy of such materials).

#### 5(H)(viii) Securian Legacy Advance Program Fees

Our Investment Management Fee. The table of fees set forth in Item 5(A) above does not apply to this program. Our investment management fees are payable in arrears, will be withdrawn from your account within the first two weeks of each calendar quarter, and will be calculated by multiplying 1/4 of the annual rate (which is negotiable but cannot exceed an annual fee of 0.90% of the value of the assets in your account) set forth in your investment management agreement with us by the value of the assets in your account on the last business day of each calendar month. If you start this program at any time other than the beginning of a calendar month, the initial monthly investment management fee will be prorated based on the number of days remaining in the month. In the event that the program is terminated by either party, our investment management fee for the month in which the termination occurs will be prorated based upon the number of days elapsed in the month prior to the termination date. We will not charge you any fees for terminating your account. The fees charged to you by STC for the month in which the termination occurs will be prorated based upon the number of days elapsed in the month prior to the termination date.

No adjustment to our fee will be made with respect to the addition or withdrawal of assets after the first day of the billing cycle.

Other Costs For Which You Are Responsible. You will be charged additional fees by STC for investment management and other specific account services provided by STC.

You will be responsible for paying directly any fees or charges associated with securities transactions in your account. All costs associated with executing trades in your account will be charged to you by STC including: (i) dealer markups or markdowns; (ii) charges imposed by law; (iii) costs relating to trading in foreign securities; and (iv) any brokerage commissions or other charges imposed by broker-dealers or other entities selected by STC for execution and clearing services.

You will bear a portion of the operating expenses of any collective investment vehicles, such as mutual funds, closed-end funds, unit investment trusts, or exchange-traded funds, held in your account. The amounts of these expenses vary from fund to fund and are usually set forth as a percentage of the overall net assets of the fund. Information on the specific expenses for each collective investment vehicle will be set forth in the prospectus and periodic reports provided to you by the collective investment vehicles (Securian makes no representations as to the completeness or accuracy of such materials).

You may also be charged for specific account services, such as transfers, annual and termination fees for retirement accounts, wire transfer charges, custodial fees, and charges for optional services you select. Please contact STC for more information regarding these costs.

5(H)(ix) Securian Trust Connection

Our Investment Management Fee. Our investment management fees are payable quarterly in arrears, will be withdrawn from your account within the first two weeks of each calendar quarter, and will be calculated by multiplying 1/4 of the annual rate set forth in your investment management agreement with us by the value of the assets in your account on the last business day of each calendar quarter. If you start this program at any time other than the beginning of a calendar quarter, the initial quarterly investment management fee will be prorated based on the number of days remaining in the quarter. The Investment Management Fee and Service Fee will be payable quarterly in arrears in the trust's account on the last business day of the quarter. The first payment will be assessed on a pro rata basis in the event the program begins at any time other than the first day of the billing cycle. In the event that the program is terminated by either party, our investment management fee for the quarter in which termination occurs will be prorated based upon the number of days elapsed in the quarter prior to the termination date. We will not charge you any fees for terminating your account. The fees charged to you by STC for the quarter in which the termination occurs will be prorated based upon the number of days elapsed in the quarter prior to the termination date.

The table below, rather than the table in Item 5(A), describes our annual fees for this program. These fees are not negotiable:

<b>ACCOUNT ASSETS</b>	<b>INVESTMENT MANAGEMENT FEE (annually, as percentage of marketable securities)</b>	<b>SERVICE FEE (annually, as a percentage of Special Assets)</b>
\$0 - \$500,000	0 .90%	0.25%
\$500,001 - \$1,000,000	0.75%	0.25%
\$1,000,001 to \$2.0 million	0.60%	0.20%
\$2,000,001 to \$3.0 million	0.50%	0.20%
\$3,000,001 to \$4.0 million	0.30%	0.15%
\$4,000,001 to \$5.0 million	0.25%	0.15%
\$5,000,001 and greater	0.15%	0.10%

Other Costs for which You are Responsible. You will be charged additional fees by STC for investment management and other specific account services provided by STC.

You will be responsible for paying directly any fees or charges associated with securities transactions in your account. All costs associated with executing trades in your account will be charged to you by STC including: (i) dealer markups or markdowns; (ii) charges imposed by law; (iii) costs relating to trading in foreign securities; and (iv) any brokerage commissions or other charges imposed by broker-dealers or other entities selected by STC for execution and clearing services.

You will bear a portion of the operating expenses of any collective investment vehicles, such as mutual funds, closed-end funds, unit investment trusts, or exchange-traded funds, held in your account. The amounts of these expenses vary from fund to fund and are usually set forth as a percentage of the overall net assets of the fund. Information on the specific expenses for each collective investment vehicle will be set forth in the prospectus and periodic reports provided to you by the collective investment vehicles (Securian makes no representations as to the completeness or accuracy of such materials).

You may also be charged for specific account services, such as transfers, annual and termination fees for retirement accounts, wire transfer charges, custodial fees, and charges for optional services you select. Please contact STC for more information regarding these costs.

**5(H)(x) Fees for Other Investment Advisory Services Provided to Our Affiliates**

Securian charges Securian Trust Company, N.A. a fixed fee which is negotiated annually.

Securian does not charge H. Beck Inc. a fee for the services described in Item 4(F)(x).

**5(H)(xi) Fees for Individually Managed Investment Management Services**

Our Investment Management Fees. The fees payable by you to us for individually managed investment management services are negotiable on a case by case basis, subject to limitations imposed by Securian. You must permit our investment management fees to be deducted and paid from your account. Fees are asset based.



Regardless of what billing arrangement is utilized, our fees will be clearly set forth in our agreement with you and may not exceed the maximum fees described in Item 5(A).

If your investment advisory agreement for individually managed investment management services is terminated other than at the end of a quarterly period, the final fee will be based on the value of the securities in your account on the termination date and will be prorated based upon the number of days elapsed in the quarter prior to the termination date.

Other Costs For Which You Are Responsible. You will be responsible for paying directly any fees or charges associated with securities transactions in your account, which may include: (i) commissions or other charges imposed by broker-dealers or other entities for executing and/or clearing transactions; (ii) transaction fees (e.g. sales loads or deferred sales charges) related to investments in collective investment vehicles (e.g. mutual funds); (iii) dealer markups or markdowns; (iv) costs relating to trading in foreign securities; (v) expenses charged by your retirement plan, (vi) costs related to individual retirement accounts; and (vii) charges imposed by law. See your account documentation and all other information provided to you related to your account (e.g. any prospectuses, other disclosure documents, or any reports) for more details with respect to these costs (Securian makes no representations as to the completeness or accuracy of such materials).

You will bear a portion of the operating expenses of any collective investment vehicles, such as mutual funds, closed-end funds, unit investment trusts, exchange-traded funds, or real estate investment trusts held in your account. The amount of these expenses varies from fund to fund, and these expenses are usually set forth as a percentage of the overall net assets of the fund. Information on the specific expenses for each collective investment vehicle will be set forth in the prospectus and periodic reports provided to you by the collective investment vehicles or in the documentation related to your retirement plan (Securian makes no representations as to the completeness or accuracy of such materials).

#### **Item 5(I) Investment Management Services Fees for Former Programs**

Fees for each of the investment management services formerly offered subject to the limits shown in the table in Item 5(A), except as otherwise stated below.

##### *5(I)(i) Fees for Lockwood Managed Account Link, Investment Strategies, and Asset Allocation Portfolios Programs*

Our Investment Management Fee. Our investment management fees are payable in advance, will be withdrawn from your account within the first two weeks of each calendar quarter, and will be calculated by multiplying  $\frac{1}{4}$  of the annual rate set forth in your contract (see Item 5(A), "General Fees") by the value of the assets in your account on the last business day of the calendar quarter. If you start this program at any time other than the beginning of a calendar quarter, the initial quarterly investment management fee will be prorated based on the number of days remaining in the quarter. If you make additions to your account during a calendar quarter, we will charge you an additional fee for such additions in the next calendar quarter. If you withdraw assets from your account (which are greater than the minimum we establish from time to time) during a calendar quarter, we will credit the fees paid with respect to the withdrawn assets towards the fees owed for the next calendar quarter on a pro-rata basis based upon the number of days remaining in the calendar quarter.

Other Costs For Which You Are Responsible. You will bear a portion of the operating expenses of any collective investment vehicles, such as mutual funds, closed-end funds, unit investment trusts, or exchange-traded funds held in your account. The amounts of these expenses vary from fund to fund and are usually set forth as a percentage of the overall net assets of the fund or trust. Information on the specific expenses for each collective investment vehicle will be set forth in the prospectus and periodic reports provided to you by the collective investment vehicles (Securian makes no representations as to the completeness or accuracy of such materials).

You may also be charged for specific account services, such as transfers, annual and termination fees for retirement accounts, wire transfer charges, custodial fees, and charges for optional services you select. See the

brokerage agreement with us related to this account or ask your financial advisor for more information regarding these fees.

Other Compensation Lockwood May Receive. For the Lockwood Investment Strategies Program and Lockwood Asset Allocation Portfolios Program, Lockwood receives 12b-1 and a portion of other fees from the FundVest Funds or other mutual funds available through this program. Lockwood receives a portion of the payments, commonly referred to as “revenue sharing,” that Pershing receives from the investment advisers, principal underwriters, or other affiliates of the FundVest Funds. Lockwood also receives a portion of what Pershing receives as operational reimbursements from some of the FundVest Funds in the form of networking or omnibus processing fees. These fees are based on a flat fee per holding and paid to Pershing in exchange for various services Pershing provides the FundVest Funds, such as accounting services, dividend calculation and posting, reconciliation, client confirmations, statement preparation and mailing, and tax statement preparation and mailing. For additional details regarding these revenue sharing payments or a listing of funds that pay Pershing networking or omnibus fees, please refer to [www.pershing.com/mutual\\_fund.htm](http://www.pershing.com/mutual_fund.htm) (Securian makes no representations as to the completeness or accuracy of such materials).

For the Lockwood Managed Account Link Program, Lockwood Investment Strategies Program, and Lockwood Asset Allocation Portfolios Program, certain money market or other fund managers are directly or indirectly affiliated with Lockwood and receive compensation for their investment management services. None of the compensation Lockwood receives under these arrangements is credited back to you.

#### 5(l)(ii) SEI Personal Trust Services Program Fees

Our Investment Management Fee. Our investment management fees are payable in arrears, will be withdrawn from your account within the first two weeks of each calendar quarter, and will be calculated by multiplying  $\frac{1}{4}$  of the annual rate set forth in your contract (see Item 5(A), “General Fees”) by the value of the assets in your account on the last day of the calendar quarter. If you start this program at any time other than the beginning of a calendar quarter, the initial quarterly investment management fee will be prorated based on the number of days remaining in the quarter. If you make additions to or withdrawals from your account, no adjustment will be made to our investment management fees. In the event that the program is terminated by either party, our investment management fee for the quarter in which the termination occurs will be prorated based upon the number of days elapsed in the quarter prior to the termination date. We will not charge you any fees for terminating your account.

Other Compensation SEI Private Trust Company and its Affiliates May Receive. SEI Private Trust Company will receive a trust administration fee. SIMCO or its affiliates may receive certain fees from the mutual funds available through this program which are in addition to the fees received from you. SIMCO and its affiliates are investment managers for some of the mutual funds available through this program and receive fees for their investment management services. Certain affiliates of SIMCO or the portfolio managers may receive compensation for effecting securities transactions in your account. None of the compensation SIMCO, the portfolio managers, or its or their affiliates receive under these arrangements is credited back to you. In the event that the program is terminated by either party, the fees charged to you by SEI Trust and SIMCO for the quarter in which the termination occurs will be prorated based upon the number of days elapsed in the quarter prior to the termination date.

For more information please see your client agreement and the other documentation related to this program. You may also contact your financial advisor or us (see “How to Contact Us” in Item 20) for further details.

#### **ITEM 6: PERFORMANCE BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

Neither we, nor our supervised persons, accept performance based fees or do side-by-side management.

## ITEM 7: TYPES OF CLIENTS

Securian provides investment advisory and brokerage services to a variety of clients all over the United States, including individuals, businesses, and retirement plans. Clients may simultaneously receive both investment advisory and brokerage services from us.

- For Retirement Plan Services, whether at the plan level or participant level, there is no minimum account size.
- For the Portfolio Solutions I Program, the minimum account size is generally \$50,000. Lesser amounts may be accepted in some circumstances;
- For the Portfolio Solutions II Program, the minimum account size is generally \$50,000. Lesser amounts may be accepted in some circumstances;
- For the SEI Asset Allocation Program, the minimum account size is generally \$100,000. Lesser amounts may be accepted in some circumstances;
- For the SEI Managed Account Program and the Integrated Managed Account Program, this program requires a minimum account size of \$500,000 to \$2.5 million depending on the strategy you select. Each portfolio within this program also has minimum account sizes ranging from \$50,000 to \$250,000. Lesser amounts may be accepted in some circumstances;
- For the SEI Distribution Focused Strategies Program, the minimum account size is \$50,000 to \$100,000 depending on the Distribution Focused Strategy Portfolio chosen and whether Client selects the tax management feature;
- For the Loring Ward Structured Investing Advantage Program, the minimum account size is generally \$500,000. For the Loring Ward Structured Investing Portfolio Services Program, the minimum account size is generally \$100,000. Lesser amounts may be accepted in some circumstances;
- For the ManagersChoice Program, the minimum account size is generally \$50,000. Lesser amounts may be accepted in some circumstances;
- For the Genworth Financial Wealth Management Program, the minimum account size for mutual fund sub-accounts is \$50,000, but \$25,000 for GPS and Altegris strategies, and for ETF accounts, the minimum is \$100,000. IMAs require a minimum account size of \$100,000-\$250,000 per Investment Manager, although certain Investment Managers may require minimum investments greater than \$250,000. CMAs require a minimum account size of \$500,000. Genworth reserves the right to accept amounts below these standard minimums;
- For the Securian Legacy Advance Program, the minimum account size is generally \$350,000. STC reserves the right to accept amounts below this minimum;
- For Securian Trust Connection, the minimum account size is generally \$350,000. STC reserves the right to accept amounts below this minimum; and
- For Individually Managed Investment Management Services the minimum account size is \$10,000,000.

## ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

### Item 8(A) Our Approach

*Methods of Investment Analysis.* We seek to recommend investment strategies or products that will give you a diversified portfolio consistent with your investment objective. We do this by analyzing the various products, investment strategies, and money management firms to which we provide access. That analysis includes a review of the structure, cost, and investment performance history of each program.

In several of our programs, we and/or the third party managers involved in such programs, use Modern Portfolio Theory to attempt to develop optimal long-term strategic securities portfolios. Modern Portfolio Theory involves describing a portfolio of securities in terms of its projected long-term rate of return and its projected short-term risk. The goal is to identify a client's risk tolerance, and then find a portfolio with the maximum expected return for that level of risk. Using Modern Portfolio Theory over the long-term can reduce risk, but over shorter time

horizons (such as less than three years), risk may not be materially reduced. Not all portfolios are constructed using Modern Portfolio Theory, and we do utilize other methods of constructing portfolios when it is appropriate for a particular client.

We also use traditional methods of fundamental security analysis which has as its basic assumption that markets may misprice a security in the short term but that the correct price will eventually be reached. Fundamental security analysis involves estimating the value a particular security and then comparing that estimate with the current price for the security. Fundamental security analysis involves assumptions that may or may not turn out to be accurate.

*Where We Get Our Information.* You are our most important source of information. We will collect financial and other data from you, review your investment objectives, investment time horizon, financial circumstances and risk profile. It is the information you provide about your specific financial situation that drives our recommendations. In addition, we draw on research materials including financial newspapers and publications, research services, annual reports, prospectuses, and filings with the SEC.

*Investment Strategies.* Typically, we emphasize long-term strategies. However, the level of service and consultation we provide and the strategies we recommend vary with your objectives and needs. Once we have a profile of your situation, we can develop customized recommendations regarding allocation strategies, including short-term strategies, margin transactions, options writing, etc.

*Types of Securities.* Depending on your needs and the investment advisory services you select, we provide advice about a wide range of securities, including, but not limited to:

- Mutual funds,
- Exchange Traded Funds,
- Common and preferred stocks (exchange listed and over-the-counter),
- Fixed income investments such as bonds, commercial paper and certificates of deposit,
- Municipal securities, and
- U.S. Government securities.

#### **Item 8(B) Investment Risk**

All investments involve risk. Investment recommendations provided by us and our financial advisors are subject to the risks associated with investing in securities and will not always be profitable. We do not guarantee the results of any advice or recommendations nor do we guarantee that your investment objectives will be met.

#### **ITEM 9: DISCIPLINARY INFORMATION**

In our capacity as a broker-dealer, and in connection with matters unrelated to our investment advisory business, we have:

- Consented to a censure and a fine in the amount of \$75,000 by the Missouri Securities Division pursuant to a Consent Order effective February 17, 2009. The matter involved a Missouri office of Securian's. Without admitting or denying the allegations, Securian consented to the censure and fine and the entry of findings that Securian failed to supervise an agent who made unsuitable recommendations in an elderly customer's account by placing a large amount of the customer's net worth into an illiquid variable annuity that the customer did not understand. The Division alleged that the transaction was not in the best interest of the customer and that constituted grounds to discipline the registration of Securian.
- Consented to a reprimand and administrative fine in the amount of \$50,000 by the Texas State Securities Board pursuant to a Disciplinary Order effective February 13, 2009. The matter involved a Texas office of

Securian. Without admitting or denying the allegations, Securian consented to the sanction and the entry of findings that Securian failed to establish written supervisory procedures designed to supervise the activities of its registered representative with respect to account distribution forms and the use of a fax machine in the representative's office.

- Consented to a censure and fine in the amount of \$10,000 by the National Association of Securities Dealers ("NASD," now known as FINRA) pursuant to a Letter of Acceptance, Waiver and Consent effective June 30, 2005. Without admitting or denying the allegations, Securian consented to the sanction and the entry of findings that Securian failed to adequately and properly supervise a registered representative with respect to the representative's recommendations to a customer to borrow home equity and use the funds to purchase mutual funds, without providing the client with a disclosure document required by Securian's written procedures.
- Consented to a censure and fine in the amount of \$165,127 by NASD pursuant to a Letter of Acceptance, Waiver and Consent effective September 29, 2005. Without admitting or denying the allegations, Securian accepted and consented to the entry of findings that between January 1, 2001, and December 31, 2003, Securian maintained a revenue sharing program with six mutual fund families and accepted revenue sharing fees from five of them, including four that directed fund brokerage commissions to Securian as partial payment of their fees. Securian provided the fund families with various benefits, including preferential marketing and distribution. NASD rules prohibit a member firm from favoring the sale of, or recommending, a fund on the basis of the firm's receipt of brokerage commissions.

#### **ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

The following are Securian's other financial industry activities and affiliations.

##### **Item 10(A) Brokerage Services Business.**

One of our principal business activities is as a securities broker-dealer. Securian's securities brokerage business consists primarily of the sale of mutual funds, variable annuity and variable life insurance contracts and, on a fully-disclosed basis, general securities through Securian's clearing agreement with Pershing. In this capacity Securian receives compensation in the form of dealer concessions, commissions from brokerage customers, and/or distribution (Rule 12b-1) fees, from which Securian pays commissions to Securian's financial advisors.

As a securities broker-dealer we also provide investment advice to clients which is incidental to the brokerage services provided and for which we do not receive any special compensation, other than the customary commissions or fees charged for such brokerage services.

##### **Item 10(B) Other Securities Activities**

We are the distributor for the registered variable annuity and variable life insurance contracts issued by Minnesota Life Insurance Company, an affiliate of ours.

We are also the distributor for Advantus Series Fund, Inc., a mutual fund whose portfolio shares are sold to separate accounts of Minnesota Life or its affiliates to fund their variable annuity and variable life insurance contracts.

##### **Item 10(C) Insurance Services Business**

Securian is licensed as an insurance agency in every state in the United States that licenses corporations as insurance agencies. Securian's insurance business consists primarily of the sale of fixed and variable life insurance and fixed and variable annuity contracts. In this capacity, Securian receives compensation in the form of dealer concessions, commissions, and/or other distribution fees, from which Securian pays commissions to Securian

financial advisors. Securian's financial advisors also receive insurance commissions from various insurance companies, including Securian's affiliates, Minnesota Life Insurance Company and Securian Life Insurance Company, for the sale of insurance products to individuals who may also be receiving brokerage, advisory, and/or insurance services from Securian.

#### **Item 10(D) Business Affiliations**

Securian is a wholly-owned subsidiary of Securian Financial Group, Inc., and indirect subsidiary of a mutual insurance holding company called Minnesota Mutual Companies, Inc. Securian Financial Group, Inc. is the holding company parent of a group of companies that provide a broad range of financial services. Please visit [www.securian.com](http://www.securian.com) for more information.

We believe that we benefit from these affiliations in various ways, including access to additional investment-related research and information. Some of our affiliates may coincidentally trade for their own accounts in securities that we have recommended to our clients.

##### 10(D)(i) Affiliated Insurance Businesses

The insurance companies owned directly or indirectly by Securian Financial Group, Inc. (including Minnesota Life Insurance Company ("Minnesota Life") (see [www.minnesotalife.com](http://www.minnesotalife.com)), Securian Life Insurance Company (see [www.securianlife.com](http://www.securianlife.com)), Securian Casualty Company, Cherokee National Life Insurance Company (see <http://www.cnlf.com>), and CNL/Insurance America, Inc.) provide a variety of insurance and annuities products (including term life insurance, indexed life insurance, variable life insurance, fixed and indexed annuities, group term and variable life insurance, accidental death and dismemberment insurance, mortgage life insurance, credit life and disability insurance, debt protection, guaranteed asset protection, and collateral protection insurance) to individuals, businesses, employers, banks, and credit unions. Many of Securian's customers are also customers of Minnesota Life.

##### 10(D)(ii) Affiliated Investment Advisors and Broker-Dealers

Advantus Capital Management, Inc. ("Advantus") is also a wholly-owned subsidiary of Securian Financial Group, Inc. Advantus is registered as an investment advisor with the SEC. Advantus provides investment advice to affiliated entities, including Minnesota Life, and to unaffiliated entities, including unaffiliated insurance companies, public and corporate pension plans, retirement plans, mutual fund companies, Taft-Hartley plans, foundations, and endowments. See [www.advantuscapital.com](http://www.advantuscapital.com) for more information.

H. Beck, Inc. ("H. Beck") is also a wholly owned subsidiary of Securian Financial Group, Inc. H. Beck is registered with the SEC as both an investment advisor and a broker-dealer. H. Beck is also a member of FINRA, the SIPC, and the National Futures Association. H. Beck provides investment advice and brokerage services that serve the needs of individuals, trusts, estates, and businesses. See [www.cfginc.com](http://www.cfginc.com) for more information.

CRI Securities, LLC ("CRI") is 50% owned by Enterprise Holding Corporation, which is a wholly owned subsidiary of Minnesota Life. CRI is registered with the SEC as both an investment advisor and a broker-dealer. CRI is also a member of FINRA and the SIPC. CRI provides mutual funds, brokerage services, and general securities to individuals, trusts, estates, and businesses. See [www.crisecurities.com](http://www.crisecurities.com) for more information.

##### 10(D)(iii) Affiliated Banking Institutions

Securian Trust Company, N.A. ("Securian Trust") is also a wholly owned subsidiary of Securian Financial Group, Inc. Securian Trust is a national bank chartered by the Office of the Comptroller of the Currency. Securian Trust provides expertise in trust administration and trust investment management.

10(D)(iv) Affiliates as Sub-Advisors to Certain Mutual Funds

Advantus serves as a subadvisor for certain of the Ivy Funds, and receives a management fee for its services. While Securian receives no direct compensation as a result of this relationship, Advantus' compensation increases if the assets in such funds increase. See the prospectuses for the Ivy Funds for more information.

10(D)(v) Affiliates as Advisors to Investment Accounts Available Through Certain Qualified Plans

Advantus also serves as the investment advisor for certain separate accounts that are offered as investment options in Minnesota Life group variable annuity contracts sold to qualified plans. While Securian receives no direct compensation as a result of this relationship, Advantus receives compensation for its investment advisory services.

10(D)(vi) Affiliates as Providers of Retirement Plans

Minnesota Life, an affiliate of Securian's, issues group variable annuities to retirement plans which may also receive investment advisory services from Securian. Securian's compensation for those investment advisory services is not affected by the investment options the retirement plan chooses. Minnesota Life's total compensation may be impacted if the retirement plan selects an investment option guaranteed by Minnesota Life. However, unlike variable investment options, such investment options provide interest rate and principal guarantees backed by the financial strength and claims paying ability of Minnesota Life. Also, Advantus' compensation may be impacted if the retirement plan selects one or more investment options for which Advantus is the investment manager or sub-advisor.

**Item 10(E) Conflicts of Interest**

As noted throughout this document, various different situations and programs present a conflict of interest for us and/or your financial advisor. Typically, this conflict of interest is because we and/or your financial advisor receive compensation or other benefits in addition to the fees we receive from you. Conflicts of interest also arise when (i) we can achieve certain expense reductions based upon how your assets are invested (e.g. the rates we pay third party service providers may decrease as we introduce more assets to those third party service providers), (ii) we receive additional compensation from you in a capacity other than as your investment advisor (e.g. for certain programs we also act as the broker-dealer and receive additional compensation in that capacity), or (iii) one of our affiliates may receive compensation through some of our programs (e.g. a program where an affiliate of ours provides you trust services) or from some of the investment options in those programs (see Item 10(D)(iv), "Affiliates as Subadvisors to Certain Mutual Funds"). In all of these situations we have an economic interest in how your assets are invested, thus resulting in a conflict between your interests and ours.

Your financial advisor is compensated as a result of your engaging us to provide services to you. The amount of that compensation varies between our programs or may be more than what the financial advisor would earn if you paid separately for services that we may bundle together (e.g. paying separately for investment advice and brokerage services). Therefore, your financial advisor may have an economic interest in whether you receive investment advisory services versus securities brokerage or other services or which investment advisory program you utilize, thus resulting in a conflict between your interests and those of your financial advisor. For more information about your financial advisor's compensation, please contact your financial advisor.

As required by law, we maintain certain policies and procedures, such as our "Code of Ethics" (see Item 11, "Code of Ethics, Participation or Interest in Client Transactions and Personal Trading") reasonably designed to prevent us and our financial advisors from acting in any way that is inconsistent with our legal obligations to you, including the requirement that we put your interests first.

#### 10(E)(i) Non-Cash Compensation from Us or Our Affiliates

In accordance with FINRA rules, either we or our affiliates (e.g. Minnesota Life), see Item 10, “Other Financial Industry Activities and Affiliations”), will award credits which allow our financial advisors who are responsible for the sales of investment advisory services, insurance products, and other investment products to attend conventions and other meetings sponsored by us or our affiliates for the purpose of promoting the sale of investment advisory services, insurance products, and other investment products offered by us and our affiliates. Such credits may entitle the financial advisors to reimbursement for transportation, hotel accommodations, meals, registration fees, and the like.

Our financial advisors may also be eligible for financing arrangements, no-cost training, group health and/or life insurance benefits, retirement benefits, deferred compensation benefits, and other benefits based on their contract with our affiliate, Minnesota Life. All of these programs are designed to encourage our financial advisors to sell Minnesota Life’s insurance products.

All of the non-cash compensation described in this section, in conjunction with any other compensation or benefits provided by us or our affiliates, may be more or less than the overall compensation on similar or other products. The amount and/or structure of the compensation may influence your financial advisor to favor certain investment alternatives over others. However, the differences in compensation may also reflect differences in sales effort or ongoing customer services expected of the financial advisor.

For more information about these programs and the benefits received by your financial advisor, please contact your financial advisor.

#### 10(E)(ii) Non-Cash Compensation from Third Parties

Some of the third parties that are involved with the investment advisory services we offer (e.g. portfolio managers, investment managers, sub-managers, custodians, or executing brokers) may provide non-cash benefits to our financial advisors such as meals or tickets to sporting or entertainment events. In addition, some of those third parties sponsor or participate in conventions, conferences, or training events and may provide our financial advisors and/or our home office employees with transportation, hotel accommodations, meals, registration fees, and the like in order to encourage them to attend such events. For additional information about these programs and whether your financial advisor receives any of these non-cash benefits, please contact your financial advisor.

#### 10(E)(iii) Marketing & Other Assistance

For Financial Advisors. The sponsors of our advisory programs provide some of our financial advisors with additional financial support by reimbursing our financial advisors for certain marketing related expenses, such as client seminars, client appreciation events, and donations to charities or charitable events. In general, sponsors are more willing to make such reimbursements or will make larger reimbursements based on the amount of assets invested in their program by a financial advisor's clients. This is a conflict of interest for your financial advisor. We maintain policies that limit the amount of this financial support that financial advisors may receive. For more information about whether your financial advisor receives any of the type of support described in this paragraph, please contact your financial advisor.

Below are some of the programs through which our financial advisors can receive additional financial support as described in the previous paragraph.

*SEI.* Certain of our financial advisors qualify for SEI's Advisor Benefit Program. This program has three levels, with benefits for both financial advisors and their clients, which may include waivers of certain client fees, access to specialized resources, free attendance at SEI's conferences, reimbursements for certain marketing expenses, etc. Advisors qualify for the Advisor Benefit Program if the assets invested by their clients in SEI's products exceed \$45 million. For more information about whether your financial



advisor qualifies for this program or receives any of the type of support described in this paragraph, please contact your financial advisor.

*Genworth.* Certain of our financial advisors qualify for Genworth's Gold/Platinum Premier Consultant Program ("Consultant Program"). Advisors, or groups of advisors, qualify for the Consultant Program if the assets invested by their clients in the Genworth Financial Wealth Management Program exceed \$25 million. Pursuant to the Consultant Program, such advisors are entitled to receive a quarterly business development allowance for reimbursement of qualified marketing/practice management expenses incurred by advisors. These amounts range from \$5,000 to \$105,000 annually, depending on the amount of the advisor's client assets managed within Genworth's programs. Such amounts accrue quarterly, and any amounts not utilized in a particular quarter continue to be available in future quarters. For more information about whether your financial advisor qualifies for this program or receives any of the type of support described in this paragraph, please contact your financial advisor.

For Securian. Securian provides a variety of investment advisory services, which in some cases also include services from third-party sponsors of investment advisory programs or platforms. Certain third-party sponsors of investment advisory programs or platforms ("Investment Advisory Sponsors") pay marketing support payments to Securian based on total assets in Securian client accounts and/or gross new contributions to Securian client accounts that are managed by Securian in connection with such Sponsor's program or platform. In exchange for such marketing support payments, Securian provides Investment Advisory Sponsors with such things as visibility on Securian's website for advisors, access to Securian's advisors, and invitations to certain conferences or meetings held by Securian. Securian's representatives do not receive any additional cash compensation as a result of Securian's receipt of these payments.

Genworth Financial Wealth Management is currently the only Investment Advisory Sponsor. Securian receives marketing support payments in connection with the sale and retention of assets in accounts with Genworth Financial Wealth Management ("GFWM"). Each year GFWM pays Securian a sum that varies but does not exceed 0.05% of gross contributions to investment advisory accounts sold by Securian and CRI and 0.03% of assets held by the GFWM attributable to Securian and CRI. The amount of marketing support payments received by Securian from GFWM during the preceding calendar year is listed on the Strategic Partner page at [www.securianfinancial.com](http://www.securianfinancial.com).

#### 10(E)(iv) Conference Sponsorships

Some of the third parties that are involved with the investment advisory services we offer (e.g. portfolio managers, investment managers, sub-managers, custodians, or executing brokers) may, from time to time, reimburse us for certain conferences we sponsor. For more information about these reimbursements, please contact us (see Item 20, "How to Contact Us").

#### 10(E)(v) Strategic Partner Program

Through our Strategic Partner Program ("Program"), we seek to establish additional relationships with various unaffiliated participating mutual fund companies ("Strategic Partners"). In addition to customary sales commissions, we receive marketing support payments (commonly referred to as "revenue sharing") from such Strategic Partners. We may use these payments for general financial support to offset the costs of product management support and compliance. The payments are usually calculated as a percentage of mutual fund sales and/or the total assets held in mutual funds sold by us. The actual amount we receive is negotiated in each case and varies by Strategic Partner. In return for marketing support payments, Strategic Partners receive visibility on our advisor website and assistance with coordinating access to and educational opportunities for our financial advisors. In addition, we and the Strategic Partners agree to provide each other periodic reports. Such payments do not, however, secure favored treatment by us or our financial advisors for a Strategic Partner's products. For additional information about the Strategic Partner Program, see the Strategic Partner page at [www.securianfinancial.com](http://www.securianfinancial.com).

Marketing support payments are not made directly by you. Marketing support payments are paid by the Strategic Partner, by an affiliate of the Strategic Partner, or by the investment manager of the participating mutual funds. Marketing support payments are in addition to the sales charges, 12b-1 fees, and other fees and expenses charged by the mutual fund. A mutual fund's sales charges and 12b-1 fees are disclosed in the fund's prospectus fee table, as are all other charges and expenses borne by the fund and its shareholders. For additional information about these charges and expenses refer to the mutual fund's prospectus or statement of additional information, each of which is available on request from the mutual fund company (Securian makes no representations as to the completeness or accuracy of such materials).

Marketing support payments are not paid to our financial advisors as commissions or other compensation. Since our financial advisors will not directly receive any of these payments, we believe these financial arrangements do not create any incentives that will influence the advice you receive from your financial advisor.

The following are the Strategic Partners that currently pay us marketing support payments in relation to assets invested through some of our investment management programs:

*FundVest Mutual Funds Revenue Sharing.* Securian receives from Pershing a portion of the revenue sharing payments Pershing receives in connection with the sale and retention of the funds that participate in Pershing's FundVest program. These fees are paid in accordance with an asset-based formula. For additional details regarding the FundVest program please refer to [www.pershing.com/mutual\\_fund.htm](http://www.pershing.com/mutual_fund.htm) (Securian makes no representations as to the completeness or accuracy of such materials).

*Ivy Mutual Funds.* We receive marketing support payments in connection with the sale and retention of Ivy Funds' mutual funds from Ivy Funds Distributor, Inc. ("IFD") or its affiliates. In addition, we may be paid an annual amount equal to 0.05% of the average daily value of Ivy Funds assets attributable to us. We and/or our affiliated companies are also paid annual incentive compensation of between 0.05% and 0.15% depending on the level of Ivy Funds assets held in our clients' accounts. The amount of Ivy Funds that are invested in clients' accounts through our Portfolio Solutions I program, together with the amount of such funds held in other investment advisory and brokerage accounts at Securian, are included in this calculation. As a result, we have a conflict of interest in recommending Ivy Funds to clients in that program.

*Lord Abbett Mutual Funds.* We receive revenue sharing payments in connection with the sale and retention of Lord Abbett mutual funds from Lord Abbett Distributors LLC ("Lord Abbett"), the principal underwriter for various investment companies and series thereof that are registered with the Securities and Exchange Commission under the Investment Company Act of 1940, as amended (the "Lord Abbett Funds"). Each quarter Lord Abbett pays Securian a sum that varies but does not exceed 0.05% of the previous quarter's Lord Abbett Funds sales by Securian and CRI Securities, LLC (an affiliate of Securian) and 0.02% of Lord Abbett Funds assets attributable to Securian. The amount of our clients' funds that are invested in Lord Abbett Funds through our Portfolio Solutions I program, together with the amount of such funds held in other investment advisory and brokerage accounts at Securian, are included in this calculation. As a result, we have a conflict of interest in recommending Lord Abbett Funds to clients in that program.

For Portfolio Solutions I, Securian may also receive 12b-1 fees from mutual funds in which clients' assets are invested. These 12b-1 fees are in addition to the investment management fee paid under the Program, and are also in addition to any revenue sharing payments that may be received as described above. Clients in the Program might be able to purchase such mutual funds without paying the 12b-1 fees and the Program Fee; however, in such cases, clients would not receive the benefits of the Program. For more information about a fund's sales charges or 12b-1 fees, see the fee and expense table in the summary section of the prospectus (Securian is making no representations as to the completeness or accuracy of such materials).

If the Employee Retirement Income Security Act of 1974 (“ERISA”), as interpreted by the Department of Labor, imposes obligations on Securian to take certain actions with respect to revenue sharing payments, 12b-1 fees charged to mutual fund shares owned by employee benefit plans or other sources of revenue, Securian will act in accordance with such obligations.

Securian acts as an investment adviser under the Investment Advisers Act of 1940 and a non-discretionary fiduciary investment adviser within the meaning of ERISA Section 3(21)(A)(ii) with regard to the ERISA Fiduciary Services (defined below) Securian provides to plans subject to ERISA. The “ERISA Fiduciary Services” include only the provision of investment advice; all other services are provided on a non-fiduciary basis.

#### **ITEM 11: CODE OF ETHICS, PARTICIPATION, OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

Pursuant to rule 204A-1 under the Investment Advisers Act of 1940 (the “Act”), we have established and enforce a written code of ethics (“Code”) that describes standards of business conduct, including applicable fiduciary obligations, that must be observed by us and our “supervised persons” (as defined in the Act) in connection with our investment advisory business. These standards include the following requirements:

- To act at all times with the utmost integrity and honesty, dealing fairly with our clients, our company, our associates, and our service providers;
- To place the interests of our clients first;
- To render professional and unbiased investment advice to our clients;
- To provide full, fair, and, timely information to our clients;
- To avoid any conflicts of interest with our clients when conducting personal securities transactions;
- To exercise diligence and care in maintaining and protecting our clients’ nonpublic, confidential information; and
- To comply at all times with federal securities laws.

All supervised persons are prohibited from trading on the basis of material non-public information. In addition, the Code prohibits certain supervised persons (“Access Persons”) from trading, in their personal accounts or in other accounts in which they have a beneficial interest, in “reportable securities” (as defined in Rule 204A-1 and the Code) ahead of a client’s trade in the same security, and from purchasing any security that is part of an initial public offering. Access Persons must also obtain prior approval from our Chief Compliance Officer before purchasing any security as part of a private placement or other limited offering.

In order to avoid conflicts of interest, the Code requires Access Persons to provide, and us to review, both initial and annual reports of all reportable securities beneficially owned by such Access Person. Quarterly reports of all transactions in reportable securities by Access Persons are also required under the Code and are also required to be reviewed by us.

Each supervised person receives a copy of the Code and of each amendment thereto, and is required to acknowledge such receipt in writing. The Code further requires each supervised person to report any violation of the Code promptly to our Chief Compliance Officer.

A copy of our Code of Ethics will be provided to any client or prospective client upon request.

#### **ITEM 12: BROKERAGE PRACTICES**

Securian does not receive research or other products or services (also known as “soft dollar benefits”) from a broker-dealer or third party in connection with client securities transactions. Securian does not select or recommend other broker-dealers. In some programs, clients direct trades to us for introduction to Pershing. In other programs, clients direct trades to other broker-dealers or a third party, and the other broker-dealer or third party manager selects or recommends the broker-dealer.

For the Portfolio Solutions I Program, we generally serve as the introducing broker-dealer on each account, which represents a conflict of interest for us (see Item 10(E), "Conflicts of Interest"). You will direct that all securities purchase and sale orders for your account be introduced by us and executed and cleared through Pershing which serves as the clearing broker for all transactions through this program. While best efforts will be made by Pershing, it is possible that another broker-dealer may execute a transaction at a better quality, speed, or price. For these reasons, directed brokerage accounts may not generate returns equal to those of non-directed accounts. From time to time we may use a broker different from Pershing or other agreed to executing brokers to execute trades if we reasonably believe that, by doing so, we will be able to satisfy our obligation to achieve best execution on your behalf.

Securian has established a process to correct trade errors. For more information about our trade correction policies, please contact us (see Item 20(B), "How to Contact Us").

### **ITEM 13: REVIEW OF ACCOUNTS**

In connection with financial planning services, we have financial planning supervisory procedures in place to provide a periodic review of client deliverables to ensure that advice is consistent with the financial planning agreement you have entered into with Securian. These reviews are conducted by one of Securian's registered principals. This review includes, but is not limited to, any planning software analysis and written client recommendations created during the planning process. This review is conducted on a sampling of all financial plans created by the field. A greater emphasis of review is placed on high fee plans and plans created by planners with less experience.

In connection with our other investment management services, we will review your account with you at least once each year to determine whether the assets in your account are allocated consistently with the parameters of the allocation strategy you selected. The review covers such things as changes in the value of your account, the success of your investment strategy in meeting your investment needs and objectives, whether any material changes have taken place in your financial circumstances or investment objectives, and any recommendations we make with respect to your account(s). We will also be available on an ongoing basis to discuss any changes which may have occurred in your circumstances or investment objective.

You will receive monthly account statements and quarterly reports analyzing the investment performance of your account. You will also receive confirmation of activity in your account. The statements, reports, and confirmations may be delivered in writing or electronically, as you choose and as available with the program that you select.

### **ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION**

In conjunction with our Solicitor Services program (see Item 4(E)), we assist clients in selecting an investment management program from among several such programs sponsored by unaffiliated investment management firms to which we may refer clients. Pursuant to our agreements with these firms, the firms compensate us for our services by paying us a percentage of the advisory fees received by such firms from clients we have referred. We do not charge our clients a separate fee for our services in helping them select a sponsor's program. Each client we refer to a sponsor receives a written statement disclosing that we act as a solicitor for the program sponsor and that we are compensated by the sponsor for our referrals.

We do not at present compensate any person for client referrals for any program or service described in this brochure.

### **ITEM 15: CUSTODY**

Depending on the program selected, all your cash, securities, and other assets in our other investment management programs will remain in your custody or in the custody of Pershing, LLC ("Pershing") or another

program custodian. Pershing and the other custodians provide usual and customary custodial and certain administrative services. We will not receive or retain custody of any of your assets in our investment management programs. If you forward assets to us, we will return them to you so that you can send them to Pershing or the other program custodian. You may receive a quarterly, or more frequent, account statement directly from Pershing. You should review this account statement carefully. We urge you to compare the account statements that you receive from Pershing with those that you receive from others.

In conjunction with the Securian Legacy Advance Program and the Securian Trust Connection Program, however, we are deemed to have custody of your cash, securities, and other assets that you deposit into that program because our affiliate, Securian Trust Company, N.A. ("STC"), provides custodial services. You may receive a quarterly, or more frequent, account statement directly from STC. You should review this account statement carefully. We urge you to compare the account statements that you receive from STC with those that you receive from others.

#### **ITEM 16: INVESTMENT DISCRETION**

We do not ordinarily accept discretionary authority to manage securities accounts on behalf of clients in connection with any of the services or programs described in this Brochure. There is one exception: certain clients in the Portfolio Solutions I Program have executed amendments to their investment management agreements with us to allow their financial advisor complete and unlimited discretionary trading with respect to purchases and sales of mutual funds and exchange traded funds in the client's account. The financial advisor is not authorized to withdraw or transfer any of the client's money, securities, or property from client accounts, either in the client's name or otherwise. For information regarding investment discretion, if any, exercised in our wrap fee programs, see the separate wrap fee brochure for each program.

#### **ITEM 17: VOTING CLIENT SECURITIES**

We do not have or accept the authority to vote client securities. Any proxies received by us will be forwarded to your attention. If you have questions about a particular solicitation, please contact the entity soliciting you or us. For information about how to contact us, please see the section at the end of this brochure entitled "How to Contact Us."

#### **ITEM 18: FINANCIAL INFORMATION**

Securian generally does not require payment of fees more than one quarter in advance. In no event, however, are client fees of more than \$1,200 required to be paid six months or more in advance of performance of services by Securian. For these reasons, Securian is not required to provide an audited balance sheet for its most recent fiscal year.

Securian has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, nor has Securian been the subject of a bankruptcy proceeding.

#### **ITEM 19: REQUIREMENTS FOR STATE REGISTERED ADVISERS**

Securian is federally registered.

#### **ITEM 20: OTHER**

##### **Item 20(A) Privacy**

We will share some of your information you provide us with custodians, investment managers, other third parties involved with our services or their agents for the purposes of setting up your program account(s), administering your account, executing your instructions, etc. Those same parties typically provide us with information about

your account(s) from time to time, including copies of your statements. See the Securian Financial Group, Inc. Privacy Policy (available at [www.securian.com](http://www.securian.com) or from us or your financial advisor) for more information.

**Item 20(B) How to Contact Us**

We look forward to providing you with quality investment services. If you have questions, please contact your financial advisor, or you may contact us directly at:

Securian Financial Services, Inc.  
400 Robert Street North  
Saint Paul, MN 55101-2098  
1-800-820-4205

<http://www.securian.com/FinancialServices/home.asp>