

SEC File Number 801-45152  
IARD/CRD Number 15296

SECURIAN FINANCIAL SERVICES, INC.  
400 ROBERT STREET NORTH  
ST. PAUL, MN 55101  
651.665.3500  
800.820.4205  
<http://www.securianfinancial.com>

#### **SECURIAN FREEDOM PROGRAM**

July 30, 2012

Wrap Fee Program Brochure Pursuant to Part 2A, Appendix 1 of Form ADV

This wrap fee program 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, or would like to receive an additional copy of this brochure, please contact Securian at 1-800-820-4205. 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.

**This brochure provides clients with information about Securian Financial Services, Inc. and the Securian Freedom Program that should be considered before becoming a client. This information has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.**

## **ITEM 2: MATERIAL CHANGES**

This Wrap Fee Program Brochure dated July 30, 2012 has been prepared by Securian Financial Services, Inc (“Securian”) in accordance with the requirements of Form ADV as adopted by the United States Securities and Exchange Commission (“SEC”).

In the future, this Item 2 will provide only a summary of specific material changes that are made to the Wrap Fee Program Brochure. Securian will also reference the date of Securian’s last annual update of Securian’s Wrap Fee Program Brochure.

Pursuant to SEC Rules, Securian will ensure that clients receive a summary of any material changes to this and any subsequent Wrap Fee Program Brochure within 120 days of the close of Securian’s business’ fiscal year. Securian may further provide other ongoing disclosure information about material changes as necessary.

Securian will also provide clients with a new Wrap Fee Program Brochure, without charge, at any time upon request, or as necessary based on material changes or material new information. Securian’s Wrap Fee Program Brochure may be requested by contacting Securian’s Service Center at 1-800-820-4205.

## Table of Contents

Item 1: Cover Page.....	1
Item 2: Material Changes.....	2
Item 3: Table of Contents .....	3
Item 4: Services, Fees and Compensation .....	4
A. Services .....	4
About Securian .....	4
Securian Freedom Program.....	4
The Freedom Portfolios.....	6
Administrative, Execution and Clearance Services .....	9
Securian Consultants .....	11
Opening an Account .....	12
Terminating an Account .....	12
B. Fees .....	13
Freedom Fee.....	13
Payment of Fees .....	15
Item 5: Account Requirements and Types of Clients.....	16
Item 6: Portfolio Manager Selection and Evaluation.....	16
Item 7: Client Information Provided to Portfolio Managers .....	18
Item 8: Client Contact with a Portfolio Manager.....	18
Item 9: Additional Information .....	18
A. Disciplinary Information .....	18
B. Other Financial Industry Activities and Affiliations .....	19
Securian’s Brokerage Service Business.....	19
Securian’s Other Securities Activities.....	19
Securian’s Insurance Services Business.....	20
Securian’s Business Affiliations .....	20
C. Conflicts of Interest, Revenue Sharing and Other Payments from Funds .....	21
D. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	24
E. Review of Accounts .....	25
F. Client Referrals and Other Compensation .....	26
G. Financial Information.....	26
Item 10: Requirements for State Registered Advisers .....	26
Supplemental Information.....	26

## ITEM 4: SERVICES, FEES, AND COMPENSATION

### A. Services

#### About Securian

Securian Financial Services, Inc. (“Securian”) is registered with the Securities and Exchange Commission (“SEC”) as both an investment advisor and a securities broker-dealer. It is also a member of FINRA and SIPC. As a broker-dealer, Securian offers a wide range of securities brokerage services and products, including mutual funds and variable insurance products.

Securian provides investment advisory and brokerage services to a variety of clients, including individuals, businesses, and retirement plans. Clients may simultaneously receive both investment advisory and brokerage services from Securian. Advisory services offered by Securian include but are not limited to financial planning for individuals and businesses, asset allocation and portfolio management services.

This Wrap Fee Program Brochure describes the Securian Freedom wrap fee program (the “Program”). Securian sponsors six other wrap fee programs. In Securian Signature, clients can select portfolio managers to manage one or more asset classes in their portfolio on a discretionary basis. In Securian Select and Securian Select Advantage, clients get access to a multi-discipline managed account housed in a single portfolio managed on a discretionary basis by Lockwood Advisors, Inc. In Securian Spectrum Advisor and Securian Spectrum Advisor Plus, Securian, on a non-discretionary basis, develops and recommends an investment strategy and portfolio of securities that is appropriate for a client’s investment objective, risk tolerance, time horizon, and other pertinent financial characteristics, but Securian Spectrum Advisor Plus includes financial planning and other services all for a bundled fee. The Securian Advisor Choice Program also provides for the development and recommendation of an investment strategy and portfolio of securities on a non-discretionary basis, but it is available only through Securian’s affiliate, H. Beck, Inc. Each of these wrap programs is described in a separate wrap fee program brochure containing the information required by Part 2A, Appendix 1 of Form ADV. Advisory services offered by Securian other than wrap fee programs are all described in another brochure containing the information required by Part 2A of Form ADV.

#### Securian Freedom Program

The Program is a discretionary wrap-fee program sponsored by Securian. In accordance with the Program, clients open a brokerage account (“Account”) with Securian and retain Securian to assist in establishing investment objectives and selecting an asset allocation strategy for the client’s Account that is managed by Securian on a discretionary basis. Clients pay for various investment advisory and securities brokerage services provided under the Program in accordance with a bundled fee arrangement.

Securian offers clients in the Program a series of model strategies (the “Model Portfolios” or “Freedom Portfolios”), each of which represents a different allocation strategy for aligning a client’s Account with the client’s financial objectives. The Freedom Portfolios include five of the Model Portfolios that combine up to seventeen traditional and alternative investment sub-asset classes. These five Freedom Model Portfolios span the risk/return spectrum from an income model to an aggressive growth model. The Income and Growth Model Portfolio, Conservative Growth Model Portfolio, and Growth Model Portfolio are also available as “core” Model Portfolios that combine four to six sub-asset classes (the “Core Model Portfolios” or “Freedom Core Portfolios”).

Securian serves as the only portfolio manager under the Program. As such, Securian determines the asset allocation strategy for each Model Portfolio and, in accordance with the Model Portfolio selected by a client, selects specific securities for each asset class and investment style that comprises the client’s Account, based upon Securian’s proprietary modeling strategies, macroeconomic outlook and investment research discipline. The Model Portfolios in the Program consist of open-end and closed-end investment companies and exchange-traded funds (“ETFs”), as determined by Securian in its sole discretion. Trades in client Accounts under the Program are executed through Securian and introduced to Securian’s clearing broker-dealer, Pershing LLC (“Pershing”), for settlement and clearance, at the direction of Securian.

Securian may change the asset class allocations used in managing a client’s Account at any time in Securian’s sole discretion. In the event of an asset allocation change, Securian will rebalance the Account accordingly. Securian, in its sole discretion, may also change the investment vehicles used within a client’s Account at any time during the life of the Account. Client will receive a prospectus or other disclosure document for each mutual fund or collective investment vehicle in which a client’s Account is invested.

The recommendation of a Model Portfolio for a client is made by Securian’s Consultant (see “Securian Consultants” below) and is based on the Consultant’s analysis of such Model Portfolio’s potential for meeting the client’s financial needs, and seeks to be consistent with the client’s financial characteristics, including investment objective and risk tolerance, and any guidelines or restrictions provided by the client in writing. Client’s selection of a Model Portfolio is also subject to review and approval by Securian. The Consultant periodically reviews and monitors the performance, composition, and risk profile of the client’s Account and will, if appropriate, recommend a different Model Portfolio based on the results of such reviews. The Consultant consults with a client at least annually regarding the client’s Account and whether the client’s financial characteristics have changed. This review is designed to ensure that the client’s Account is still appropriate and consistent with the client’s financial circumstances. The Consultant is also available on an ongoing basis to discuss the client’s Account or any questions relating to the securities therein.

A client may put reasonable restrictions on the types of securities to be bought and sold in the client’s Account. Securian, however, may determine that it cannot accept the client’s

requested restriction because, in Securian's sole discretion, the restriction is inconsistent with either the applicable Model Portfolio's stated investment strategy or the client's stated investment objective, or is fundamentally inconsistent with the nature or operation of the Program.

### The Freedom Portfolios

Securian's Freedom Portfolios seek to take a systematic approach to providing an investment portfolio based on a client's risk profile, time horizon and investment objectives. Each of the Freedom Portfolios represents a different level of expected risk and return that seeks to accomplish its objectives by allocating portfolio assets across a different mix of investment sub-asset classes. Each of the Freedom Portfolios represents a version, through different allocation strategies, of one of the following basic model portfolios, each with a different investment risk and return profile:

- Income Portfolio – appropriate for clients whose primary objective is current income.
- Income and Growth Portfolio – appropriate for clients whose primary objective is income, with a secondary objective of modest long-term growth.
- Conservative Growth Portfolio – appropriate for clients whose primary objective is growth of principal with a secondary objective of income.
- Growth Portfolio – appropriate for clients whose objective is high long-term growth of principal.
- Aggressive Growth Portfolio – appropriate for clients whose objective is the highest possible long-term growth of principal.

The Income Portfolio is the most conservative strategy, but it still has exposure to certain risks, including interest rate risk, credit risk, and loss of principal. The Aggressive Growth Portfolio is the most aggressive strategy, and may experience considerable fluctuations in value, especially over the short-term, including loss of principal.

For additional information regarding investment risk, please review Item 6, Portfolio Manager Selection and Evaluation.

The Program offers the following five Freedom Portfolios, three of which are also available as Freedom Core Portfolios, each of which represents a different allocation strategy for aligning a client's Account with the client's financial goals:

## Freedom Portfolios

- Freedom Income Portfolio
- Freedom Income and Growth Portfolio
- Freedom Conservative Growth Portfolio
- Freedom Growth Portfolio
- Freedom Aggressive Growth Portfolio

## Freedom Core Portfolios

- Freedom Core Income and Growth Portfolio
- Freedom Core Conservative Growth Portfolio
- Freedom Core Growth Portfolio

In each of the Freedom Portfolios, allocations may use up to seventeen available sub-asset classes. Allocations in each of the Freedom Core Portfolios may use up to six investment sub-asset classes.

Portfolio Asset Classes. The asset classes that may be used in the Freedom Portfolios include the following:

- U.S Large Cap Equity
- U.S. Mid Cap Equity
- U.S. Small Cap Equity
- U.S. Micro Cap Equity
- International Large Cap
- International Small Cap
- International Micro Cap
- Real Estate
- Natural Resources/Commodities
- U.S. Long-Term Fixed Income
- U.S. Intermediate Fixed Income
- U.S. Short-Term Fixed Income
- Global Fixed Income
- Inflation Protected Securities
- Floating Rate Income
- High Yield Bonds
- Convertible Securities
- Alternative Investments

Changes to Model Portfolios. The composition of each of the Model Portfolios may be changed by Securian, in its sole discretion, at any time. These changes in Model Portfolio composition may include:

- Increasing or decreasing the number of asset classes included in the Model
- Replacing an asset class currently included in the Model with a different asset class
- Changing the percentage allocations to some or all of the asset classes included in the Model
- Increasing or decreasing the number of mutual funds or ETFs selected for each asset class
- Replacing a mutual fund or ETF currently selected for an asset class with a different mutual fund or ETF
- Changing the percentage allocations to some or all of the mutual funds or ETFs selected for an asset class

Client Account Adjustments and Rebalancing. A client's Account will be adjusted automatically in accordance with any change made by Securian in the composition of the Model Portfolio applicable to the client's Account (see "Changes to Model Portfolios" above). Trades made in a client's Account as a result of changes in the composition of the Model Portfolios will be reflected in the confirmations and quarterly Account statements made available to the client. In addition, an Account will periodically be rebalanced to match the target allocation for each asset class, or the target allocation for each mutual fund or ETF included within an asset class, when, as a result of differences in relative investment performance, the current asset class allocation or mutual fund or ETF allocation deviates from the target allocation by more than a specified level as determined by Securian. Securian periodically reviews such Account allocations and their level of deviation from the target allocations in order to identify Accounts that have drifted substantially from their target allocations and need to be rebalanced. The timing and frequency of these reviews are determined by Securian and may be changed from time to time. Securian, in its sole discretion, may also rebalance an Account at any time if Securian determines for any reason that it would be beneficial to do so. Additionally, as assets are added or withdrawn, a client's Account will be rebalanced to the target allocations. Neither diversification nor asset allocation provides a guarantee against loss; they are techniques that seek to manage investment risk.

Security Selection Process. When selecting a mutual fund or exchange traded fund for inclusion in a Freedom Core or Freedom Standard Portfolio, Securian seeks to utilize a disciplined due diligence process which includes the examination of a variety of factors, which may include, but is not limited to the following:

- Mutual Funds – factors include the manager's investment style, whether the approach is active or passive, the manager tenure and length of track record, stability of investment personnel, assets under management/capacity, rate of return as compared to risk and peers over multiple time periods, expense ratio, level of adherence to a stated investment style, investment approach, investment performance, level of risk and portfolio holdings.



- Exchange Traded Funds – factors include the benchmark, tracking error to the benchmark, investment performance, volume, liquidity, cost, comparison to peer groups, investment objective, investment philosophy, investment process, construction methodology and portfolio holdings.

#### Administrative, Execution and Clearance Services

Each client participating in the Program is required to enter into a brokerage account agreement with Securian to open an Account that will hold the client's assets covered by the Program. Clients also direct that all orders for the purchase or sale of securities in client Accounts will be introduced to Pershing by Securian and settled and cleared by Pershing. By directing trades in the foregoing manner, Securian will not be able to: (i) select broker-dealers on the basis of price or other attributes; (ii) negotiate commissions (or mark-ups or mark-downs on fixed income and other securities) or negotiate the price or quality of the custody, settlement and clearing services provided by Pershing; or (iii) aggregate or "batch" orders for purposes of execution with orders for the same securities for other accounts managed by Securian which are not settled and cleared by Pershing. As a result, certain transactions may result in less favorable net prices on the purchase and sale of securities than would be the case if Securian were able to shop around and select broker-dealers. The ability to achieve best execution may be partially or wholly limited by the nature of the directed brokerage arrangement and clients may not achieve executions of the nature, quality, speed or price that might otherwise occur. As a result of the foregoing, a client's Account might not generate the returns it would if orders were not directed. However, since management of the Account occurs via a bundled fee arrangement that includes the costs of Pershing's settlement and clearance services, the use of Pershing should not result in additional brokerage fees to a client.

Clients authorize Securian to aggregate purchase and sale orders for securities held (or to be held) in client Accounts with similar orders being made on the same day for Securian's other accounts which are also custodied or cleared through Pershing. Securian may aggregate trades for clients and transmit "batched" orders in an effort to reduce market impact and to obtain best execution. When an order is so aggregated: (i) the actual prices applicable to the aggregated transaction will be averaged and the Account and each other account or portfolio participating in the aggregated transaction shall be treated as having purchased or sold its portion of the securities at such average price, and (ii) all transaction costs incurred in effecting the aggregated transaction shall be shared on a pro-rata basis among the accounts participating in the transaction. Where the batched order is not filled in its entirety, clients will be deemed to have purchased or sold a proportionate share of the securities involved. In some cases, aggregating orders may adversely affect the size of the position obtainable, and in some cases, clients would receive better price execution if they did not participate in a batched order.

As the introducing broker-dealer of record for Accounts, Securian has an interest in having Pershing settle and clear securities transactions under the Program. Under its agreement with Pershing, the fees charged and the level of services provided by Pershing are dependent upon the amount of assets introduced by Securian to Pershing. The securities trades directed to

Pershing under the Program are included in the calculation of assets introduced by Securian to Pershing and therefore may result in reduced fees being charged to Securian by Pershing or in Securian's receipt of additional services from Pershing. Pershing's custodial and brokerage services are included in the fees paid by clients as described in Item 4.B below.

Pershing maintains custody of all Account assets and performs custodial functions including, among other things, crediting of interest and dividends on Account assets, together with other custodial functions customarily performed with respect to securities brokerage accounts.

All dividends and other distributions will be retained in a client's Account and invested in accordance with the cash allocation component of such Account. Clients are responsible to vote all proxies, consents, waivers and other documents regarding corporate actions, with respect to any securities held in their Account. Securian will not vote proxies, nor will Securian be responsible for taking action or rendering any advice with respect to securities held in Securian Freedom Accounts which become subject to legal notices or proceedings, including bankruptcy proceedings.

Cash balances in the Account are subject to periodic sweeps into short-term investment vehicles selected by Securian in its sole discretion, such as a money market mutual funds or an FDIC insured sweep program. All proceeds, dividends, and interest will be swept into such investment vehicles. The client will receive a separate prospectus relating to the mutual fund(s) in which the cash in the client's Account is invested which will contain a complete description of the relevant fees and/or expenses of the mutual fund(s); clients should refer to the prospectus for more information about the applicable fund. If Securian uses an FDIC insured sweep program, the client will receive a terms and conditions document for each program; clients should refer to the terms and conditions of the applicable FDIC insured sweep program for more information about the program. Securian reserves the right to change these investment vehicles at any time.

Pershing makes available to the client confirmations of each purchase and sale, unless the client elects not to receive confirmations of individual transactions and to receive, instead, information regarding such transactions in quarterly statements. Monthly Account statements are forwarded by Pershing to the client for each month in which activity occurs in the client's Account. Quarterly account statements are also forwarded by Pershing to the client, regardless of whether there has been any activity in the client's Account. Pershing also acts as general administrator of the Account, which includes, deducting Account fees and processing, pursuant to the client instructions transmitted by Securian, deposits to and withdrawals from the Account.

Securian has also entered into an agreement with Lockwood Advisors, Inc. ("Lockwood"), Pershing's affiliate, pursuant to which Lockwood or another affiliate provides various administrative services, including preparing quarterly reports analyzing the performance of the Account, which are made available to a client. The fees for Lockwood's services are also included in the fees paid by client as described in Item 4.B below.

The costs of the execution, clearance and administrative services provided by Pershing and Lockwood are included in the Program Fee and therefore also the total Freedom Fee, which are described below.

If the client grants Securian the authority to do so, upon client's instruction Securian will (1) instruct Pershing to transfer assets from the client's Account to another of the client's identically registered account(s) with Securian held at Pershing; or (2) instruct Pershing to remit client funds or securities in client's Account to the client at the client's address of record with Pershing. Securian does not have the authority to open an account on the client's behalf or to designate or change the client's address of record.

### Securian Consultants

The services performed in connection with opening an Account under the Program and recommending a Model Portfolio to a client are provided by Securian's investment advisor representatives ("Consultants"), who are also registered securities representatives of Securian (*i.e.*, registered with FINRA to sell securities) and licensed as insurance agents for Securian's affiliate, Minnesota Life Insurance Company ("Minnesota Life"). Consultants may also be licensed as insurance agents for other insurance companies.

A consultant's recommendation of a Model Portfolio is subject to review and approval by Securian. Other investment professionals employed by Securian serve as the Portfolio Managers responsible for determining any changes in the allocation strategy and composition of the Model Portfolios and for managing client Accounts on a discretionary basis (see "Item 6: Portfolio Manager Selection and Evaluation," below).

Each Consultant must meet at least one of the following requirements:

- Qualify as a Chartered Financial Analyst (CFA), CERTIFIED FINANCIAL PLANNER™ Professional (CFP®), or Chartered Financial Consultant (ChFC);
- Pass the NASAA Investment Advisors Law (NASD Series 65) exam or the NASAA Uniform Combined State Law (NASD Series 66) exam; or
- Otherwise meet state and firm investment advisory registration requirements.

Each Consultant that has clients in the Program is compensated by Securian for providing investment advisory and related services. The amount of this compensation may be more than what the Consultant would receive if the client participated in other wrap programs offered by Securian, or paid separately for investment advice, brokerage and other services. A Consultant may therefore have a financial incentive to recommend the Program over other programs or services.

### Opening an Account

Clients enter the Program by executing an investment management agreement (“Agreement”) with Securian. As noted above, clients must also sign a brokerage account agreement with Securian in order to open an Account in the Program.

If a client transfers securities to Securian in connection with funding a new Account, all such securities, except any securities identical to those selected by Securian for inclusion in the applicable Model Portfolio, will be liquidated promptly and the proceeds reinvested in the client’s Account in accordance with the Model Portfolio selected by the client. If any illiquid or unmarketable securities are transferred to a client’s Account and cannot be promptly liquidated, such securities must be transferred out of the Account or disposed of by the client within thirty days after notice to the client or Securian will automatically transfer such securities to a separate commission based brokerage account with Securian, subject to Securian’s standard fees for such accounts.

In connection with opening an Account, the Securian Consultant obtains information regarding the client’s investment objective, risk tolerance, time horizon, and other financial characteristics. Based upon the information provided by the client, the Securian Consultant will recommend a Model Portfolio. It is up to the client to decide whether to accept or reject the Consultant’s Model Portfolio recommendation.

### Terminating an Account

Either Securian or a client may terminate the Agreement at any time with written notice and thereby terminate an Account under the Program. If an Account is terminated during a quarter, or the client makes a full withdrawal of Program assets, Securian will refund to the client a pro-rata portion of any pre-paid, but unearned fees paid for that quarter. The amount refunded to the client will be based on the number of days remaining in the quarter as of the date of termination.

Upon termination of the Agreement, Securian will no longer exercise investment discretion or provide investment advisory services with regard to the securities in the Account, and clients will have sole responsibility to decide what happens to the assets in the Account. Upon termination, it is clients’ responsibility to issue instructions in writing regarding the assets held in the Account. Upon termination, client may either instruct Securian to (i) liquidate the assets in the Account, (ii) transfer the assets in the Account to a third party, or (iii) transfer the assets to a standard brokerage account with Securian that is subject to Securian’s then-current standard commission and fee schedule. If clients instruct Securian to liquidate the assets in the Account, Securian shall do so solely in its capacity as a broker-dealer and clients will be subject to Securian’s then-current standard commission and fee schedule. If clients do not provide instructions regarding the Account assets to Securian upon termination of the Agreement, then Securian will automatically transfer the assets therein to a standard brokerage account that is

subject to Securian's then-current standard commission and fee schedule. Clients are solely responsible for all taxes payable in connection with the termination of the Account.

## **B. Fees**

### Freedom Fee

Each client in the Program pays an annualized asset-based fee ("Freedom Fee"). The Freedom Fee, which includes the costs of the investment advisory, execution, clearance and administrative services provided by Securian, Lockwood, and Pershing under the Program (exclusive of certain charges associated with securities transactions described below and charges for optional services), consists of two components: (i) the "Program Fee" charged by Securian (which covers, among other things, the cost of the administrative, clearance and custodial services charged to Securian by Lockwood and Pershing, and the management and maintenance of the Model Portfolios and the management of client Accounts by Securian's Portfolio Managers) and (ii) the "Consultant Fee," which is the fee charged for the Consultant's services. The Freedom Fee will not exceed 1.90%.

The Program Fee is not negotiable. In contrast, the Consultant Fee portion of the Freedom Fee is negotiable, within limits, by clients and the Consultant. In negotiating the Consultant Fee, Consultants generally take into consideration, among other things, the amount of assets clients maintain in the Program, whether the clients maintain other securities brokerage or investment advisory relationships with Securian, the amount of assets in such other accounts, and the duration and scope of a clients' relationship with Securian. In general, clients may be able to negotiate a lower Consultant Fee if they maintain other securities brokerage or investment advisory relationships with Securian. Securian reserves the right at its discretion to reduce the Consultant Fee for Accounts held by employees, associated persons, agents, or independent contractors of Securian or its affiliates and their immediate family members.

Securian retains a portion of the Freedom Fee payable hereunder and pays a portion of the Fee to Consultants and to Lockwood for the services provided hereunder. Lockwood charges a fee to Securian (the "Lockwood Fee") to cover the expenses associated with the services provided by Lockwood and Pershing in connection with the Program. The Lockwood Fee is included in the Program Fee and, therefore, in the total Freedom Fee described above.

Account Assets	Program Fee	Maximum Consultant Fee	Maximum Freedom Fee
First \$500,000	0.40%	1.50%	1.90%
\$500,001 to \$1,000,000	0.36%	1.15%	1.51%
\$1,000,001 to \$2,000,000	0.33%	1.00%	1.33%
\$2,000,001 to \$3,000,000	0.30%	0.90%	1.20%
\$3,000,001 to \$4,000,000	0.27%	0.80%	1.07%
\$4,000,001 to \$5,000,000	0.24%	0.50%	0.74%
Over \$5,000,000	0.21%	0.25%	0.46%

The total fees charged under the Program may be higher than what another investment adviser would charge for a similar combination of services, or what would be charged by Securian or another investment adviser if the investment advisory and securities brokerage services were provided separately. The relative cost of the Program is affected by such factors as the administrative costs associated with wrap fee arrangements, the fees charged when investment adviser and brokerage services are purchased separately, the size of a client's Account, and the level of trading activity in a client's Account.

The Freedom Fee does not include certain fees and charges associated with securities transactions, including the following: (i) charges imposed by law; and (ii) internal charges and fees, including redemption or short-term trading fees, that may be imposed by any collective investment vehicles, such as mutual funds, closed-end funds, or exchange-traded funds (clients indirectly pay a pro-rata portion of such fees, which are in addition to the fees paid to Securian under the Program). Clients will also be charged for specific account services as described in Securian's Client Commission and Fee Schedule. If client chooses to have trade confirmations delivered by mail rather than delivered electronically, there will be a charge for each trade confirmation. See Securian's brokerage account agreement related to the Account or ask Consultant for more information regarding these fees.

Each Consultant assigned to a client's Account will be compensated for services to such client by receiving a percentage of the compensation received by Securian in accordance with the fee schedule attached to the client's investment management agreement with Securian. Consultant 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 Consultant's total sales and revenue production from all securities, investment advisory, and insurance business conducted through Securian, the Consultant's compensation for the services provided to clients under the Program may range from 30% to 56% of the compensation received by Securian pursuant to the formula described in client investment management agreements with Securian, and it can change each month depending upon the Consultant's total revenue production for Securian. Each Consultant also has one or more supervisors who do not provide services directly to clients. These supervisors are paid a percentage of the compensation received by Securian for the supervisory services they provide for Securian. Some of these supervisors may share a portion or all of their

compensation with the Consultants they supervise. For more detailed information about the compensation paid to your Consultant, please call Securian at (800) 820-4205.

An affiliate of Securian, Advantus Capital Management, Inc. ("Advantus Capital"), serves as investment sub-advisor to certain funds in the Ivy family of mutual funds. If those mutual funds are held in client Accounts, Advantus Capital will receive investment sub-advisory fees as a result of such holdings.

#### Payment of Fees

The Freedom Fee is payable at inception and quarterly in advance thereafter, based on the value of the assets in the Account on the date of inception, and thereafter, on the last business day of the prior quarter (except as discussed below in connection with additions to the Account). The first payment will be assessed on a pro rata basis in the event the Agreement is executed at any time other than the first day of the billing cycle. For the purposes of fees and valuation, securities will be valued at the closing price on the principal exchange on which they are traded. All cash and securities in the Account will be included in determining the value of the Account for the purpose of calculating the Freedom Fee. Securities not listed on a national securities exchange, such as mutual funds, will be valued at their net asset values.

The Freedom Fee is paid first out of free credit balances, if any, in the Account, second, from the liquidation or withdrawal of shares of any money market funds or balances in any money market account, and to the extent that such assets are insufficient to satisfy payment of the fee, from the sale and liquidation of other Account assets. Securian, in its discretion, will sell securities to the extent necessary to pay the Freedom Fee. Clients are solely responsible for any losses or tax consequences as a result of a sale of Account assets to satisfy their obligation to pay the Freedom Fee.

Additions may be made at any time and will result in an adjustment to the Freedom Fee with respect to such new assets prorated from the date of the addition. Withdrawals of assets may be made at any time and will result in an adjustment to the Freedom Fee with respect to the withdrawn assets prorated from the date of the withdrawal. The proceeds of a withdrawal will be delivered to the client after the time necessary for the resulting trades to clear and settle. If the Account is terminated by either party, fees paid for that quarter will be prorated based on the number of days in the quarter for which the Program was in effect and any unearned investment advisory fees will be returned to the client, and the market value of the assets in the Account shall be calculated as of the close of trading on the last business day that Securian provides investment advisory services under the Agreement.

The client will authorize Pershing to deduct all applicable fees from the client's Account. All such fees will be clearly noted on the client's statements.

If Securian liquidates securities transferred to Securian by a client in connection with funding a new Account (see "Opening an Account" above), the client may incur significant tax liabilities

for which the client will be solely responsible. In addition, if such transferred securities include illiquid or unmarketable securities that are subsequently placed in a separate commission based brokerage account with Securian, the client will also be charged Securian's standard fees for such accounts. If applicable, clients should consider such ramifications before deciding to participate in the Program.

#### **ITEM 5: ACCOUNT REQUIREMENTS AND TYPES OF CLIENTS**

The minimum Account size for each Freedom Portfolio under the Program is generally \$50,000. Lesser amounts may be accepted in some circumstances. Freedom Core Portfolios are also available for amounts between \$25,000 and \$50,000 if househanded with another Program Account greater than \$150,000.

Services under the Program are offered primarily to individuals. An Account may not be opened under the Program if the Account's assets are part of a tax qualified plan or subject to any provision of the Employee Retirement Income Security Act of 1974 ("ERISA"). However, individual retirement accounts not subject to ERISA are eligible to participate in the program. Securian reserves the right to reject any client from participating in the Program.

#### **ITEM 6: PORTFOLIO MANAGER SELECTION AND EVALUATION**

The Freedom Portfolios available through the Program are managed by a group of investment professionals at Securian (the "Portfolio Managers"). The Portfolio Managers are salaried employees of Securian and make investment decisions and engage in investment activities for Securian in connection with Securian's discretionary investment management of the Freedom Portfolios. These activities include, on a discretionary basis, the selection of the asset classes to be used in each Portfolio, the determination of each Portfolio's allocation strategy in relation to such asset classes, and the selection of securities for each Account. Securian does not recommend or select individual Portfolio Managers for particular client Accounts. Instead, the Portfolio Managers act as a team and make discretionary investment decisions on a collective basis for all the Model Portfolios.

Securian selects as Portfolio Managers investment professionals who have either attained a CFA (Chartered Financial Analyst) designation or earned an MBA (Masters in Business Administration) degree. The selection process also takes into consideration the length and nature of an individual Portfolio Manager's experience in the investment management business. Securian's management monitors the performance of the Portfolio Managers and compares their performance, calculated on a uniform and consistent basis in accordance with standards determined by Securian, relative to the performance of generally accepted market indices for the major asset classes included in the Portfolios. Performance information for the Portfolio Managers is not reviewed by a third party. Securian does not employ any specific standards in determining whether or not to replace one or all of the Portfolio Managers.



As described above in Item 4.A under “Services -- The Freedom Portfolios – Security Selection Process,” Securian considers a variety of factors in selecting securities for inclusion in the Freedom Portfolios. The main sources of information used by Securian in this regard include, but are not limited to, quantitative data provided by third-party vendors, financial newspapers and magazines, corporate rating services relating to historical prices of securities, dividends and earnings, annual reports, prospectuses, filings with the SEC and press releases. In addition, Securian may on occasion participate in conference calls or meetings with the managers of mutual funds and other collective investment vehicles selected or considered for selection in the Freedom Portfolios.

In determining allocations between mutual funds and exchange traded funds in a particular Model Portfolio, Securian will consider such factors as whether an entity reasonably represents a sub-asset class, is passively or actively managed, offers favorable tax treatment, or is available at a more favorable cost. These factors are evaluated in the context of each Model Portfolio’s overall allocation strategy and the individual sub-asset classes selected by Securian for inclusion in the Model Portfolio.

Each Freedom Portfolio carries a different level of risk that clients should be prepared to bear. In each Account managed in accordance with a Model Portfolio, all securities include a risk of loss of principal and any profits that have not been realized. The stock markets, bond markets and derivative markets fluctuate substantially over time in response to changes in domestic and global economic and political circumstances. As a result, there is a risk of loss of the assets, and such loss may be out of Securian’s control. **Securian cannot guarantee any level of performance and cannot guarantee that clients will not experience a loss of value in their Account.**

There is risk associated with the asset allocation strategies applicable to the Freedom Portfolios and with the selection of securities for client Accounts. These risks include but are not limited to market risk, liquidity risk, interest rate risk, sector risk, currency risk, foreign investment risk, developing or emerging market risk, large cap and small/mid-cap stock risk, counterparty risk, credit risk and duration risk. Investments in securities and other financial instruments that are subject to fluctuations create many types of risk that can cause the permanent loss of capital, whether as a result of adverse market conditions or otherwise. For more information about the risks associated with the mutual funds or collective investment vehicles held in a Portfolio, as well as information about associated fees and expenses, clients should review the respective prospectuses or other disclosure documents.

As described above in Item 4.A under “Services – Administrative, Execution and Clearance Services,” Securian does not retain or accept authority to vote client securities. Clients are solely responsible for voting proxies and taking action with respect to legal notices or proceedings relating to securities held in their Accounts.

## **ITEM 7: CLIENT INFORMATION PROVIDED TO PORTFOLIO MANAGERS**

Clients provide personal information, including investment objective, risk tolerance, time horizon, and financial and other relevant characteristics to their Securian Consultants. Their Securian Consultants then recommend a model portfolio consistent with the client's investment and financial objective and submit this information to Securian. Portfolio Managers, as employees of Securian, have access to client information, but they do not use that client information to make decisions about specific individual client accounts.

## **ITEM 8: CLIENT CONTACT WITH PORTFOLIO MANAGERS**

The Portfolio Managers do not typically speak with clients, but there are no restrictions placed on a client's ability to contact the Portfolio Managers. There are also no restrictions placed on a client's ability to contact the client's Securian Consultant. Clients have regular access to Securian Consultants to discuss their Accounts, financial circumstances, investment objectives, and Model Portfolio selection.

## **ITEM 9: ADDITIONAL INFORMATION**

### **A. Disciplinary Information**

In Securian's capacity as a broker-dealer, and in connection with matters unrelated to the Program or Securian's other investment advisory business, Securian has:

- 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 it 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.

## **B. Other Financial Industry Activities and Affiliations**

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

### Securian's Brokerage Services Business

Securian's principal business activity is as a securities broker-dealer. Securian's securities brokerage business consists primarily of the sale of mutual funds and 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 Consultants.

As a securities broker-dealer Securian also provides investment advice to clients, which is incidental to the brokerage services provided, and for which Securian does not receive any special compensation, other than the customary commissions or fees charged for such brokerage services. The Consultants are also registered representatives of Securian in its capacity as a broker-dealer.

### Securian's Other Securities Activities

Securian is the distributor for the registered variable annuity and variable life insurance contracts issued by Minnesota Life Insurance Company, Securian's affiliate.

Securian is also the distributor for Securian Fund Trust, 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.

### Securian's 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 Consultants. Securian's Consultants 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 and/or advisory services from Securian.

### Securian's Business Affiliations

Securian is a wholly-owned subsidiary of Securian Financial Group, Inc., and is an 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.

Securian believes that it benefits from these affiliations in various ways, including access to additional investment-related research and information. Some of Securian's affiliates may coincidentally trade for their own accounts in securities that Securian has recommended to Securian clients.

*Affiliated Insurance Businesses.* The insurance companies owned directly or indirectly by Securian Financial Group, Inc. include 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>), CNL/Insurance America, Inc., American Modern Life Insurance Company, and Southern Pioneer Life Insurance Company. These insurance companies 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.

*Affiliated Investment Advisors and Broker-Dealers.* Advantus Capital Management, Inc. ("Advantus Capital") is also a wholly-owned subsidiary of Securian Financial Group, Inc.

Advantus Capital is registered as an investment advisor with the SEC. Advantus Capital 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. ("HBI") is also a wholly owned subsidiary of Securian Financial Group, Inc. HBI is registered with the SEC as both an investment advisor and a broker-dealer. HBI is also a member of FINRA, the SIPC, and the National Futures Association. HBI 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.

*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.

### **C. Conflicts of Interest, Revenue Sharing and Other Payments from Funds**

As required by law, Securian maintains certain policies and procedures, such as Securian's "Code of Ethics" (see "Code of Ethics, Participation or Interest in Client Transactions and Personal Trading" below) reasonably designed to prevent Securian and Securian's Consultants from acting in any way that is inconsistent with Securian's legal obligations to clients, including the requirement that Securian put clients' interests first.

*Revenue Sharing.* Subject to the foregoing, Securian receives payments, commonly known as "revenue sharing," from investment advisers, principal underwriters, or other affiliates of certain mutual funds in which clients' Program assets may be invested. As a result, Securian has an economic interest in selecting such funds for Accounts under the Program. Securian receives revenue sharing payments from investment advisers, principal underwriters, or other affiliates of the following mutual funds in which clients' Program assets may be invested:

- **Ivy Mutual Funds Revenue Sharing.** Securian receives revenue sharing payments in connection with the sale and retention of Ivy Funds from Ivy Funds Distributor, Inc. ("IFD") or its affiliates in all accounts for which Securian is the broker-dealer of record. In addition, Securian may be paid an annual amount equal to .05% of the average daily account value of Securian accounts holding shares of the Ivy Funds. Securian and/or its affiliated companies are also paid annual incentive compensation of between .05% and .15% depending on the level of Ivy Funds

assets held in Securian accounts. The amount of Ivy Funds that are included in clients' Accounts under the Program are included in the revenue sharing arrangement between IFD and Securian.

- 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 in all accounts custodied at Pershing for which Securian is the broker-dealer of record. These fees are paid in accordance with an asset-based formula. Funds in the FundVest program are available on a no-load or load waived basis. For additional details regarding the FundVest program please refer to [www.pershing.com/mutual\\_fund.htm](http://www.pershing.com/mutual_fund.htm).

- Lord Abbett Mutual Funds Revenue Sharing. Securian receives revenue sharing payments in connection with the sale and retention of Lord Abbett mutual funds (the "Lord Abbett Funds") from Lord Abbett Distributor LLC ("Lord Abbett") in all accounts for which Securian is the broker-dealer of record. 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 and 0.02% of Lord Abbett Funds assets attributable to Securian. The amount of Lord Abbett Funds that are included in clients' accounts and under the Program are included in the revenue sharing arrangement between Lord Abbett and Securian.

For more information about revenue sharing and other types of indirect compensation, see the Strategic Partner webpage located at [www.securianfinancial.com](http://www.securianfinancial.com).

*12b-1 Fees.* 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 Freedom Fee paid under the Program, and are also in addition to any revenue sharing payments that may be received as described above. In the case of the Program, Securian will credit back to the client's Account any 12b-1 fees received by Securian with respect to assets held in such client's Account. 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 fund's prospectus.

*Conference Sponsorships.* Some of the mutual funds that are selected for inclusion in Accounts under the Program, or affiliates of such funds, may, from time to time, pay fees to Securian in exchange for the opportunity to appear at conferences or other meetings sponsored and organized by Securian. For more information about these conference sponsorships, please contact Securian, or see the Strategic Partner webpage located at [www.securianfinancial.com](http://www.securianfinancial.com).

*Mutual Funds Sub-Advised by Advantus Capital.* Advantus Capital Management, Inc. ("Advantus Capital"), an affiliate of Securian's, serves as investment sub-advisor for certain of the Ivy Funds, and receives a management fee for its services. Securian receives no direct compensation as a result of this relationship, but Advantus Capital's compensation increases if the assets in such funds increase. If such funds are held in client Accounts under the Program, Advantus Capital will receive additional investment sub-advisory fees as a result of such holdings. See the prospectuses for the Ivy Funds for more information.

The arrangements described above present conflicts of interest for Securian and/or Consultants. Typically, this conflict of interest is because Securian and/or Consultants receive compensation or other benefits in addition to the fees Securian receives from clients. Conflicts of interest also arise when (i) Securian can achieve certain expense reductions based upon how client assets are invested (e.g. the rates Securian pays third party service providers may decrease as Securian introduces more assets to those third party service providers), (ii) Securian receives additional compensation from client in a capacity other than as client's investment advisor (e.g. for certain programs Securian also acts as the broker-dealer and receive additional compensation in that capacity), or (iii) one of Securian's affiliates may receive compensation through some of Securian's programs (e.g. a program where an affiliate of Securian's provides trust services to client) or from some of the investment options in those programs. In all of these situations Securian has an economic interest in how clients' assets are invested, thus resulting in a conflict between interests of clients and Securian.

Consultants are compensated under the Program as a result of clients engaging Securian to provide services. The amount of that compensation may be more than what the Consultant would earn if clients paid separately for services that Securian bundles together under the Program (e.g. paying separately for investment advice and brokerage services). Therefore, Consultants may have an economic interest in whether a client receives investment advisory services versus securities brokerage services, thus resulting in a conflict between a client's interests and a Consultant's interests. For more information about a Consultant's compensation, please contact the Consultant.

*Non-Cash Compensation from Securian and its Affiliates.* In accordance with FINRA rules, either Securian or Securian's affiliate, Minnesota Life, will award credits which allow Securian's Consultants who are responsible for the sales of investment advisory services, insurance products, and other investment products to attend conventions and other meetings sponsored by Securian or Securian's affiliates for the purpose of promoting the sale of investment advisory services (including services under the Program), insurance products, and other investment products offered by Securian and Securian's affiliates. Such credits also cover related costs for transportation, hotel accommodations, meals, registration fees, and the like.

Securian's Consultants 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 Securian's affiliate, Minnesota Life. All of these programs are designed to encourage Securian's Consultants to sell Minnesota Life's insurance products.

All of the non-cash compensation described in this section, in conjunction with the cash compensation received by Consultants in connection with the Program, may be more or less than the overall compensation received by Consultants in connection with the sale of other products and services offered by Securian. The amount and/or structure of such compensation may influence Consultants 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 Consultant.

For more information about non-cash programs and other benefits received by Consultants, please contact Securian.

#### **D. 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”), Securian has established and enforces a written code of ethics (“Code”) that describes standards of business conduct, including applicable fiduciary obligations, that must be observed by Securian and its “supervised persons” (as defined in the Act) in connection with Securian’s investment advisory business. These standards include requirements:

- To act at all times with the utmost integrity and honesty, dealing fairly with clients, Securian, its associates and service providers;
- To place the interests of clients first;
- To render professional and unbiased investment advice to clients;
- To provide full, fair, and, timely information to clients;
- To avoid conflicts of interest with clients when supervised persons conduct personal securities transactions;
- To exercise diligence and care in maintaining and protecting clients’ non-public, personal or 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 Securian’s 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 Securian 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 Securian.

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 Securian's Chief Compliance Officer.

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

Securian and its affiliates have investment responsibilities, render investment advice to, and perform other investment advisory services for, other individuals and entities ("Other Accounts"). Securian and its affiliates (and their respective partners, directors, officers, agents and employees) may buy, sell or trade in any securities for their own respective accounts ("Affiliated Accounts"). Securian and its affiliates may give advice or exercise investment responsibility and take such other actions with respect to Other Accounts and Affiliated Accounts which may differ from the advice given or the timing or nature of action taken with respect to a client's Account.

Other Accounts and Affiliated Accounts may at any time, hold, acquire, increase, decrease, dispose of or otherwise deal with positions in investments in which a client's Account may have an interest from time to time, whether in transactions which involve the client's Account or otherwise. Securian has no obligation to purchase for a client's Account a position in any security which Other Accounts or Affiliated Accounts may acquire.

## **E. Review of Accounts**

Securian will periodically review and monitor the performance, composition and risk profile of the client's Portfolio and, if appropriate, will make recommendations based on the results of the reviews. In addition, Securian or its Consultant will consult with each client in the Program at least annually regarding the Portfolio and whether anything has changed in the client's financial circumstances or investment objectives that might affect the manner in which the client's assets should be managed. The review includes consideration whether the client's Account remains properly aligned with the client's financial objectives, risk tolerance and other financial characteristics.

Securian or Securian's Consultant will also be available on an ongoing basis to discuss the client's Portfolio, any questions relating to the securities therein and any changes which may have occurred in the client's financial circumstances or investment objectives.

As noted above, clients also receive quarterly account statements, quarterly performance reports, brokerage statements for each month in which trading activity occurs in the client's Account, and confirmations of each purchase and sale in an Account (unless the client elects to

suppress confirmations and receive only quarterly statements). Securian or Securian's Consultant is available to assist a client in reviewing all these reports and statements.

#### **F. Client Referrals and Other Compensation**

Securian does not receive any compensation or other economic benefit from any person, other than clients, for providing advice in connection with the Program, except as described above under Item 9, "Additional Information – C. Conflicts of Interest, Revenue Sharing and Other Payments from Funds." Securian does not compensate any person other than the Securian Consultants for client referrals to the Program.

#### **G. Financial Information**

Securian does not require payment of fees more than one quarter in advance. For this reason, 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 10: REQUIREMENTS FOR STATE REGISTERED ADVISERS**

Securian is federally registered.

#### **SUPPLEMENTAL INFORMATION**

Certain information regarding the Portfolio Managers, including education, business experience and other qualifications, compensation and supervision, is included in the accompanying Form ADV Part 2B – Brochure Supplement. Information regarding a client's Securian Consultant is included in a separate Form ADV Part 2B – Brochure Supplement.