



**CURIAN**<sup>®</sup>  
CAPITAL LLC

7601 Technology Way - Denver, CO 80237

## Wrap Fee Brochure

Curian Capital, LLC  
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**This wrap fee brochure provides information about the qualifications and business practices of Curian Capital, LLC with respect to its Custom Style Portfolio Solicitor Program, which is called the Program. If you have any questions about the contents of this brochure, please contact us at 1-877-847-4192, or [curianclientservices@curian.com](mailto:curianclientservices@curian.com). The information in this brochure has not been approved or verified by the U.S. Securities and Exchange Commission (“SEC”) or by any state securities authority.**

**Additional information about Curian Capital, LLC also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

**IMPORTANT:** The Program involves investing in securities. There are inherent risks related to investing including, but not limited to, the possible loss of principal. While we seek to limit losses and adhere to our investment process, clients are advised that there have been loss periods in the past and there will likely be loss periods in the future. The investment returns in the Program, particularly over shorter time horizons, are highly dependent on trends in the various investment markets. Thus, our investment management services are generally suitable for investors seeking long-term investment objectives or strategies, rather than for short-term trading purposes. We make no guarantees with respect to the performance of a Client’s Program account and the underlying securities in the Model Portfolios. There is no guarantee that a client’s investment objectives will be achieved. Clients could lose money while participating in the Program.

Curian Capital, LLC – A Registered Investment Advisor. Registration does not imply a certain level of skill or training.

**ITEM 2. MATERIAL CHANGES**

After evaluating Curian Capital, LLC and its position in the marketplace, the company is no longer accepting new accounts, effective July 31, 2015. Curian will continue to actively manage existing accounts into 2016 to allow Financial Professionals and clients sufficient time to plan for the transition of accounts. Curian expects to exit the advisory business around the end of the first quarter of 2016.

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## **ITEM 4. SERVICES, FEES AND COMPENSATION**

### **INTRODUCTION**

Curian Capital, LLC ("Curian Capital") is registered with the SEC as an investment advisor and has filed the appropriate notices in all states where such filings are required. Registration does not imply a certain level of skill or training.

All references to "you" and "your" in this Wrap Fee Brochure (the "Brochure") refer to prospective and existing investment advisory clients of Curian Capital. References to "we", "us", or "our" refer to Curian Capital.

### **OVERVIEW OF OUR ADVISORY SERVICES**

We are the investment advisor and sponsor of the Curian Custom Style Portfolio Solicitor Program ("Program"). The two types of portfolios available through the Program are Custom Portfolios or Select Portfolios. Information about the Program may be obtained by contacting us at 1-877-847-4192.

You must have a Financial Professional or representative that is authorized to introduce you and serve as your intermediary while you participate in the Program. This is very important because the Financial Professional helps you establish your Program account and provides important ongoing administrative services in connection with your Program account. Using our online Proposal Generation System, your Financial Professional is able to assist you in gathering and communicating information to us about your investment risk tolerance, time horizon, objectives and restrictions, and certain preferences, if any. The information you provide to us through your Financial Professional is essential to the determination of the proper Model Portfolio for you. It is very important that you or your Financial Professional promptly notify us of any inaccuracies in, or material changes to, your information or desired restrictions, if any, as they may arise over the lifetime of your Program account. Your Financial Professional is not authorized to act as an investment advisor in connection with the Program and any questions regarding the advisability of investing in particular securities, types of securities or related investment options or advice provided in connection with the Program should be directed to us.

Our online Proposal Generation System allows you and your Financial Professional to systematically identify a diversified portfolio based on the information you provide regarding your investment objectives and individual needs. Based on the information provided by you through your Financial Professional, our Proposal Generation System will develop a recommended investment allocation ("Model Portfolio") for either a Custom Portfolio or Select Portfolio account that will be explained in an Investment Policy Statement. Your Investment Policy Statement will describe how the assets in your Program account will be invested. By entering into an Asset Management Services Agreement ("AMSA") with you, we will manage the securities in your Program account on a discretionary basis in accordance with your Investment Policy Statement. Keep in mind that you are the owner of all securities in your Program account and have all ownership rights to such securities. Any questions about your Investment Policy Statement should be directed to us.

Based on the information provided by your Financial Professional, we will advise and assist you in selecting your Model Portfolio. We will also provide ongoing investment management of your Model Portfolio; the selection, oversight and, where necessary, the replacement of any third party managers who assist us in managing certain investment strategies used within our Model Portfolios; the execution of all brokerage securities transactions related to the investment management of your Model Portfolio through our affiliated broker-dealer, Curian Clearing LLC ("Clearing"); the maintenance of custody of your Program account assets through Clearing; and the monitoring of your Program account and performance.

Your Financial Professional will contact you at least annually to determine if there are any changes to your investment objective, risk tolerance, and financial goals, and whether changes in your account's investments should be made. You have the right to vote securities in your account and to withdraw securities from your account. If you have questions about the manner in which your account is invested, a representative of our Asset Management Group will be reasonably available to respond.

The following will provide you with a general overview of our responsibilities. Through your Financial Professional, you can obtain from our website more specific information about our investment options, strategies, customization options, third party managers, and performance. We strongly encourage you and your Financial Professional to review this material to make certain you fully understand our investment process and the features available to you as a participant in the Program.

**Model Portfolios and Implementation Strategies** – We formulate Model Portfolios for our clients employing various asset allocation approaches, including strategic and tactical, as well as diversifying among the major asset classes: Domestic Equity, International Equity, Real Estate, Fixed Income, Alternative Investments, Cash and Cash Alternatives. We provide numerous portfolio options that correspond to an investor's risk profile, implementation strategy, and other customization options selected to meet each investor's personal investment goals and preferences.

Our Asset Management Group works with a third party institutional consultant to review the performance of our model strategies and asset allocation for various strategies and investment composition of our Model Portfolios. Suggestions and recommendations are presented to and subject to the approval of our Investment Policy Committee prior to implementation.

Our Asset Management Group manages certain asset classes and investment strategies. In addition, we use various third party managers to assist in managing specific investment strategies within our Model Portfolios. The fees paid by us to each third party manager may vary depending on the investment strategy. Our Asset Management Group will manage, and the third party managers will assist in managing, our respective strategies on an ongoing basis and make investment decisions about the securities to be bought and sold. As the advisor on Program accounts, we retain discretionary authority to implement these investment decisions on behalf of the Program.

**Custom Portfolios** – Under the Custom Portfolios option, the equity portion of your Model Portfolio will consist of a variety of U.S. publicly traded securities including, but not limited to, equity securities, preferred stocks, Exchange Traded Funds (“ETFs”), mutual funds (which may include, where permitted by the client and permissible under applicable law, mutual funds managed by us), American Depository Receipts (“ADRs”) and other investments. The fixed income portion of your Model Portfolio will consist of taxable and tax-exempt fixed income ETFs and mutual funds (which may include, where permitted by the client and permissible under applicable law, mutual funds managed by us) and/or closed-end funds. Primarily for billing and interim cash management purposes, a portion of your Model Portfolio may be held in a designated ETF, mutual fund, bank deposit sweep program, or money market fund in your Clearing brokerage account. To the extent your assets are held in ETFs, mutual funds, or money market funds, Clearing will act as your agent and not as a dealer for the fund issuing the shares. You should review the prospectuses for the ETFs, mutual funds, and money market funds used in your Program account for a description of the associated fees and expenses for which you are responsible.

The Program provides a number of customization features for clients establishing Custom Portfolios. In addition to securities exclusions and rebalancing features, clients in the Custom Portfolios may choose their tax preference and take advantage of our tax-harvesting features. For certain strategies in the Custom Portfolios, clients may choose whether to either include or exclude international securities, Real Estate Investment Trusts and alternative investments as part of their investment strategies. Alternative investments comprise a broad range of asset classes and strategies that may react differently to economic conditions and market events than more traditional investments, such as stocks and bonds. Our alternative asset class consists of ETFs or mutual funds whose underlying investments include, but are not limited to, stocks, bonds, commodities, foreign currencies, derivatives, and private equity. Within the fixed income asset class, clients in the Custom Portfolios can choose between a taxable and tax-free income option. Certain investments may generate the need for additional tax filings. You should consult your tax advisor if you have questions about the tax consequences of any of these options and features.

**Select Portfolios** – Under the Select Portfolios option, your Model Portfolio is allocated primarily among mutual funds. The Select Portfolios are generally designed for investors who seek the simplicity of mutual fund investment and do not require direct investment in individual stocks. The tax harvesting features are not available in the Select Portfolios. The tax election option in the Select Portfolios is set to first-in first-out (FIFO) with average cost method (clients may contact us to opt out of this method). Only annual rebalancing is offered in the Select Portfolios.

Our Asset Management Group, and not third party managers, is responsible for the construction of Model Portfolios for the Select Portfolios option. Primarily for billing and interim cash management purposes, a portion of your Model Portfolio may be held in a designated ETF, mutual fund, bank deposit sweep program, or money market fund in your Clearing brokerage account. To the extent your assets are held in ETFs, mutual funds, or money market funds, Clearing will act as your agent and not as a dealer for the fund issuing the shares. You should review the prospectuses for the ETFs, mutual funds, and money market funds used in your Program account for a description of the associated fees and expenses for which you are responsible.

## CLIENT EXCLUSIONS AND SECURITY RESTRICTIONS

You are permitted to place reasonable restrictions on which individual or categories of securities (e.g., social exclusions) you do not want used in your Program account. We will comply with any reasonable instructions and/or restrictions you give us when making investment decisions for your account. Reasonable restrictions generally include the designation of particular securities or types of securities that should not be purchased for the account. We reserve the right to reject your instructions or restrictions if we determine they are unreasonable or if we believe they are inappropriate. In those circumstances, we will request that you and your Financial Professional identify an alternative restriction or exclusion, if any, which can be implemented. You will not be able to provide instructions that prohibit or restrict the investment adviser of a mutual fund or an ETF, or for the purchase or sale of specific securities or types of securities within a mutual fund or ETF. We will not accept requests for substitution of a security for the restricted ones or request that a third party manager designate a substitute security.

We rely on data provided by a third party vendor to compile and update the securities exclusion categories in our Program. We are not responsible for the accuracy or completeness of the vendor's preparation or dissemination of this information. As the classifications for social exclusions are updated in our system, preexisting positions of excludable securities held by accounts with exclusions and/or restrictions will be sold in their entirety. This will result in additional transactions and may have tax implications or taxable accounts. Securities removed from an exclusionary status may not be re-acquired until subsequent activity occurs in the account, such as a deposit or rebalance. You should consult your tax advisor if you have questions about the associated tax consequences.

Performance of accounts with exclusions or restrictions may differ from accounts without such limitations, possibly producing lower overall results. Each Model Portfolio is designed to meet to an investment objective. Implementing exclusions or restrictions for your account may cause your portfolio to deviate from the stated objective of the model. Performance may also be affected as a result of certain customization features, withdrawals, model changes and other actions initiated by you for your Program account.

## CUSTOMIZED MODEL PORTFOLIOS

If you have sufficient assets and special circumstances regarding your Program account, we may act on your direction to modify particular asset classes or Model Portfolios to construct a customized portfolio to meet your requirements. The fee paid in these instances is negotiable and may be more or less than our basic program fee depending on the nature of the advice and servicing provided. We may provide different program features or levels of service at certain account minimums.

## CASH MANAGEMENT OPTIONS

In connection with your Program account, we may offer certain cash management account options, which you may elect, subject to certain eligibility rules and completion of appropriate forms. You, and not Curian Capital, must elect to transfer assets to your cash management program account. Assets allocated to the cash management programs may be held in money market funds, bank products, or other short-term investments. These cash management account options fall under the Program, meaning that we retain discretionary authority under the AMSA to manage those assets and charge an additional fee on those assets. These account options are referred to generally as the Curian Cash Management Program ("CMP"). The specific CMP account options available in connection with the Program are described below and the associated fees are set forth in the **TOTAL PROGRAM FEE** section of the Brochure. Your account documentation will indicate which of the account options within the CMP you have selected and will describe the associated fees. You should review the prospectus for the funds used for the CMP account options for a description of any additional fund expenses and fees for which you are responsible. We have discretion to add, remove, or change the CMP account options we offer through the Program, as well as the funds or other investment vehicles in which client assets are maintained or invested. In the event we change or remove the available CMP account options, we will promptly notify you and your Financial Professional.

**Curian Cash Management Program** – The CMP account options include access to FDIC-insured bank products. To participate in a CMP account option, you must complete a CMP form which describes the minimum investment amounts and other rules regarding the CMP account option you have selected. If you elect one of the CMP account options, any ACH deposits into or ACH withdrawals from your CMP account may be temporarily swept into the Reich & Tang Insured Deposits Program to facilitate processing. We may impose account minimums for the CMP account options. If you do not meet these minimums, we reserve the right to send the money back to you at your address of record, or hold your assets in a money market fund, bank product, or other short-term investment until the minimum is met or we receive further instructions from you. Additional information about the account minimums we may impose for the CMP account option you selected will be provided as part of your Program documentation.

Current yields on assets maintained or invested in the CMP account options will fluctuate over time and you should consider the fees associated with the CMP against the current yields when considering whether to participate in a CMP account option. There is no assurance that current yields will be higher than the fees charged in the CMP. You should review the terms and conditions for the bank products in which CMP account assets are maintained for information about any associated fees or expenses for which you are responsible. Performance will not be calculated for the CMP account options and performance reports will not be provided.

The FDIC-insured bank products include the FDIC-Insured MMDA Program and the Reich & Tang Insured Deposits Program. The FDIC-Insured MMDA Program is administered by Deutsche Bank Trust Company Americas ("DBTCA"), a bank that is chartered under the laws of the State of New York and a member of the Federal Reserve System. DBTCA is a subsidiary of Deutsche Bank, a global investment bank with a presence in North America, Europe, Asia and key emerging markets. The Reich & Tang Insured Deposits Program is administered by Reich & Tang Deposit Solutions, LLC ("Reich & Tang"), a Delaware limited liability company. Both insured deposits programs are cash sweep programs that deposit cash in bank accounts rather than money market funds, and are structured to provide investors with FDIC insurance. Interest rates paid by the insured deposits programs will fluctuate over time, and it is more likely than not that

the FDIC-Insured MMDA Program and the Reich & Tang Insured Deposits Program will pay different interest rates. There is no guarantee that you will receive the higher of the two interest rates.

The Program account and the CMP account are two different accounts. Clients may have one CMP account per Program account type. Movement between the two accounts is an account-to-account transfer. Assets invested in the CMP account options are subject to the fees set forth in the Cash Management Program chart in the **TOTAL PROGRAM FEE** section. We reserve the right to waive all or part of our fees at our sole discretion.

Financial Professional Fees are not assessed on assets allocated to the CMP account. If you elect to pay your Financial Professional fee under the Fee Advance Option and withdraw assets from your Program account to fund your CMP account, you will be subject to the terms and conditions described in the **FINANCIAL PROFESSIONAL FEE** section. We may recoup some or all of the fee paid to your Financial Professional by a chargeback against the Financial Professional. This may also create an incentive for your Financial Professional to discourage you from selecting a CMP account option.

## **DOLLAR COST AVERAGING**

The Dollar Cost Averaging ("DCA") program enables you to deposit funds or transfer cash from your DCA program to your Program account for both Custom and Select Portfolios. If you elect the DCA program, all deposits, including your initial deposit, will be invested in the DCA program. Assets in the DCA program may be held in money market funds, bank deposit sweep products, or other short-term investments. ACAT securities received by Clearing for investment in your DCA program will be liquidated immediately and the proceeds will be transferred into your DCA program. Based on your requested DCA investment amount and the instructions provided by you, Clearing will automatically sell assets from your DCA program and invest the proceeds in your Program account.

To participate in the DCA program, you must complete a DCA program form, which describes the minimum investment amounts and other rules regarding the DCA program. You must elect to participate in the DCA program, and we do not manage the assets that facilitate the DCA program (and do not serve as a "fiduciary" or "investment manager" as those terms are defined in ERISA for assets of Benefit Plan Clients in the DCA program). Thus, we do not charge a Total Program Fee on these assets. Clearing may charge a clearing and custody fee on assets in the DCA program. This fee is in addition to any expenses or fees charged by underlying investments in your DCA program and will be deducted directly from your account on a monthly basis payable in arrears. Clearing may receive service or other fees of up to 0.25% of assets in the DCA program. To the extent Clearing receives service or other fees for assets in the DCA program, those fees are not offset against your Total Program Fee because no Curian Fees are charged on DCA program assets.

## **BROKERAGE EXECUTION AND TRADING ALLOCATION**

When third party managers and our Asset Management Group make investment decisions with respect to the strategies within the Model Portfolios, we implement those investment decisions by generating dollar-based brokerage orders for your Program account (and other Program accounts, as discussed below) for execution in the securities markets. Consistent with seeking best execution, we place all such orders for execution through our broker-dealer affiliate, Clearing. Clearing provides a number of services for your Program account, including brokerage execution services; trade processing and settlement services; and custodial services. Clearing executes orders for your Program account on an agency basis, by routing orders to other broker-dealers for execution in the securities markets. We have not engaged, and do not engage, in any soft dollar or commission sharing arrangements with respect to orders or transactions for your Program account, and Clearing does not receive payment for order flow with respect to orders or transactions for your Program account. We and Clearing do not participate in initial public offerings.

As indicated below, Clearing will aggregate dollar-based orders for your Program account with dollar-based orders for other Program accounts. If the aggregate dollar-based order is below a certain minimum dollar amount (currently, \$2.00), Clearing will not place that order for execution in the securities markets, but rather will retain the dollar amount applicable to your Program account in your Program account as cash. As a result, because this portion of your Program account will be held in cash rather than the securities that otherwise would have been purchased, your Program account performance could differ from the performance of the Model Portfolio. In addition, Clearing may not sweep cash held in your Program account in a cash sweep vehicle until the cash in your Program account reaches a certain minimum asset level.

Clearing systematically aggregates orders for your Program account with orders in the same security and on the same side of the market as other Program accounts so that it can place an aggregate order for execution with the broker-dealers through which it executes. Due to this aggregation process, an order for your Program account will not be placed for execution immediately upon it being generated, but rather will be held to be aggregated with other orders. As a result, there could be an increase or decrease in the market price for the security that is the subject of your order while the order is being held to be aggregated with other orders. Clearing aggregates orders and submits them for execution during specified "trading windows" occurring throughout the trading day. Given the variation in the number and timing of investment decisions that third party managers and our Asset Management Group make, the number of orders generated from such investment decisions, rebalancing activities, and limitations on operational capabilities, Clearing typically sets

three or more trading windows each day, but reserves the right to limit or alter the number and timing of these window throughout each day. Clearing cannot guarantee that every window (or an order placed at the end of each window) will occur at a regularly-scheduled time or occur at all as Clearing may experience trading delays or cancellations due to, among other things, computer failures, systems delays or failures, or other events affecting the markets. Generally and to the extent practicable, Clearing, based upon the orders it receives, will generate orders for inclusion in the next-scheduled window. To the extent possible, if Clearing does not include an order for your Program account in a trading window on the day the order is generated, then your order will be included in the first trading window for the next trading day.

Once Clearing aggregates each dollar-based order in a trading window, it will determine the aggregate share amount to be purchased or sold based upon the aggregate dollar amount for purchase or sale and the prevailing market price for the security. The generation of a share-based aggregate order from an aggregate dollar amount often will result in a fractional share order – that is, an order to purchase or sell a certain number of shares plus an additional fractional portion of one share. When a share-based order results in a fractional share amount, Clearing will round up the share amount of that order to the next highest whole share amount. The share amount by which the order is rounded up (that is, the additional fractional share amount added to reach the next whole share amount) will be placed for and executed on behalf of Clearing's principal trading account. Thus, while Clearing generally trades on an agency basis when handling orders for your Program account, it may realize a trading profit or loss in connection with the trading of these fractional share amounts for its principal trading account. Upon execution of the share-based order, Clearing will allocate executions to your Program account based upon the ratio of the dollar amount of the order for your Portfolio account to the total value of shares purchased or sold (the number of shares executed multiplied by the average execution price).

Depending on the anticipated size of an aggregated share-based order and in consideration of the potential market impact in executing an aggregate share-based order, Clearing may determine to place such order for execution in one trading window or more than one trading window and through one or more broker-dealers. In some instances, the size of an aggregate share-based order might require that the order be placed for execution and/or executed over more than one day. In such circumstances, orders for your Program account may not be placed for execution in the market on the same day that the third party manager or our Asset Management Group made the investment decision or on the same day that we placed the orders with Clearing, and orders for other Program accounts might be placed for execution ahead of orders for your Program account. In all instances, your order will receive the average execution price obtained in the aggregate order in which your Program order was included, but it will not receive the benefit of any executions received for other aggregate orders for which an order for your Program account was not included, and such executions will not be used in determining the average execution price your Program order receives.

Different types of securities have different settlement periods. For example, equity securities or other exchange-traded securities typically settle in three days, while mutual fund securities typically settle in one day. We can accept and Clearing can process additional account activity for your Program account only after the last transaction for your Program account has settled. Accordingly, Program accounts that hold equity securities, ETFs, and mutual funds may require additional time before we can accept or Clearing can process subsequent account activity such as account rebalances, investment decisions submitted by third party managers or our Asset Management Group, changes to asset allocations, or similar types of account activity. If you make a deposit during the time before the last transaction for your Program account has settled, your deposit may not be invested in your Model Portfolio until the last transaction for your Program account has settled. If you seek to make a withdrawal before such last transaction has settled, we will delay completing the rebalancing or similar account activity until your withdrawal is processed in order to accommodate the processing of your withdrawal. Note that portions of your Model Portfolio may be held in cash or cash equivalents during such account activities, which may result in a loss of market exposure during the time the portions of the portfolio are held in cash.

## **CLIENT UNSOLICITED TRADES**

Separate from our management of your Program account, there may be an occasion when you ask us to buy or sell a specific security that is held in your non-Program account with Clearing. These requests must be in whole share amounts. We will forward these unsolicited requests for execution to Clearing. Based upon the instructions you provide, Clearing will execute your order as a market held or a market not held order. Clearing may charge you a commission or markup/mark down for executing your transaction.

## **BENEFIT PLAN CLIENT ACCOUNTS**

We may manage Program accounts established for (a) employee benefit plans described in Section 401(a) or 403(a) of the Internal Revenue Code of 1986, as amended (the “Code”); (b) individual annuity plans or contracts described in Section 403(b) of the Code (“403(b) Arrangements”); (c) individual retirement accounts or annuities as defined in Section 408 of the Code (“IRAs”); or (d) other plans or arrangements subject to ERISA or Section 4975 of the Code (collectively, “Benefit Plan Clients”). The investment strategy for these Program accounts is chosen by an independent fiduciary that is responsible for overseeing the respective Benefit Plan Client (or the Benefit Plan Client itself for IRAs or other accounts that do not have independent fiduciaries). The selected Model Portfolio and restrictions, if any, then serve



as the Investment Policy Statement for the Program account. We do not serve as the trustee or plan administrator for any Benefit Plan Client.

For Program accounts established for Benefit Plan Clients, the investments and fees under the Program are intended to comply with applicable exemptive relief under ERISA. Without limitation of the foregoing, the furnishing of services to Benefit Plan Clients by us and our affiliate, Clearing, and the receipt of compensation in connection therewith is intended to qualify for exemptive relief under Section 408(b)(2) of ERISA and Section 4975(d)(2) of the Code. In connection with that relief, as it applies to arrangements involving the furnishing of services to Benefit Plan Clients that are “covered plans” within the meaning of U.S. Department of Labor Regulation §2550.408b-2(c)(1)(ii), the following disclosures are provided:

1. The services provided by Curian Capital and Clearing under the Program are described in (a) the sections of this Brochure entitled **OVERVIEW OF OUR ADVISORY SERVICES, CASH MANAGEMENT OPTIONS, and BROKERAGE EXECUTION AND TRADING ALLOCATION**; (b) the section of your AMSA entitled **SERVICES**; and (c) the section of your Brokerage Services Agreement entitled **SERVICES TO BE PROVIDED BY CURIAN CLEARING**. In addition, Curian Capital and Clearing may provide additional services with respect to assets held in cash management accounts outside the Program, as described in (i) the section of this Brochure entitled **CASH MANAGEMENT OPTIONS**; (ii) the section of your AMSA entitled **SERVICES**; and (iii) the section of your Brokerage Services Agreement entitled **SERVICES TO BE PROVIDED BY CURIAN CLEARING**.
2. In providing services under the Program, Curian Capital is acting as an investment adviser registered under the Investment Advisers Act of 1940.
3. In providing services under the Program, Curian Capital is acting as a fiduciary (within the meaning of Section 3(21) of ERISA) with respect to (a) the allocation of your Program account assets among the various securities comprising your Model Portfolio; (b) the selection and monitoring of third party managers (for the Custom Portfolios); and (c) the management of assets held in cash management account options that fall under the Program. Curian Capital is not acting as a fiduciary (within the meaning of Section 3(21) of ERISA) with respect to (i) your initial or ongoing decision to participate in the Program; or (ii) the transfer of any assets in your Program account to or from your CMP account or your DCA program account.
4. The “direct compensation” (within the meaning of U.S. Department of Labor regulation §2550.408b-2(c)(1)(iii)(D)(2)) that Curian Capital, Clearing, and their respective affiliates and subcontractors expect to receive in connection with the provision of services under the Program consists of (a) the Total Program Fee, as described in the sections of this Brochure entitled **TOTAL PROGRAM FEE, FINANCIAL PROFESSIONAL FEE, and PAYMENTS TO FINANCIAL PROFESSIONALS AND FIRMS**, and the schedule set forth in Exhibit A to your AMSA, except for the Financial Professional Fee (or portion thereof) paid to the Financial Professional, which is disclosed in the Financial Professional Disclosure Statement; (b) a \$250 custodial set-up fee Clearing may charge on accounts valued at less than \$100,000, as described in the section of this Brochure entitled **TOTAL PROGRAM FEE** and the section of your Brokerage Services Agreement entitled **SERVICES PROVIDED BY CURIAN CLEARING**; and (c) a \$75 account termination fee, as described in the section of this Brochure entitled **TOTAL PROGRAM FEE** and the sections of your Brokerage Services Agreement entitled **SERVICES PROVIDED BY CURIAN CLEARING and TRANSFERRING FUNDS; CLOSING OR TRANSFER OF YOUR PROGRAM ACCOUNT; TERMINATION OF THIS AGREEMENT**. In addition, as described in the sections of this Brochure entitled **BROKERAGE EXECUTION AND TRADING ALLOCATION and FEES FOR ADDITIONAL SERVICES** and the section of your Brokerage Services Agreement entitled **SERVICES PROVIDED BY CURIAN CLEARING**, (i) Clearing may charge you (A) an additional fee for executing unsolicited trades on your behalf; (B) clearing, custody, and/or other fees with respect to securities that you hold in your Clearing brokerage account outside of your Program account, and (C) a brokerage and custody fee on assets held in your DCA program account; and (ii) Curian Capital may charge you non-standard service fees relating to services or activities separate from the management of your Program account or as a result of the special requests such as wiring funds, overnight mailing expenses, or other servicing expenses. A schedule of fees for services not covered by the Total Program Fee is available through your Financial Professional on Curian Capital’s website.
5. The “indirect compensation” (within the meaning of U.S. Department of Labor Regulation §2550.408b-2(c)(1)(iii)(D)(2)) that Curian Capital, Clearing, and their respective affiliates and subcontractors expect to receive in connection with the provision of services under the Program consists of (a) for the Custom Portfolios, advisory and administration fees that Curian Capital may receive from mutual funds managed by Curian Capital that you elect to include in your Model Portfolio, as described in the section of this Brochure entitled **MUTUAL FUND AND ETF FEES AND EXPENSES**, the section of your AMSA entitled **SERVICES**, and in the prospectuses for those funds; (b) 12b-1 fees, shareholder servicing fees, administrative fees, or similar fees that Clearing or its affiliates may receive from mutual funds not managed by Curian Capital, or from their sponsors or service providers or the clearing platform through which the mutual funds are traded, as described in the section of this Brochure entitled **MUTUAL FUND AND ETF FEES AND EXPENSES**, the section of your AMSA entitled **SERVICES**, and in the prospectuses for those funds, which you will receive prior to selecting your Model Portfolio; (c) 12b-1 or other fees Curian Capital or Clearing may receive from the underlying investments you may elect to hold in the DCA program account as described in the

sections of this Brochure entitled **DOLLAR COST AVERAGING** and **MUTUAL FUND AND ETF FEES AND EXPENSES**, the section of your AMSA entitled **SERVICES**, the section of your Brokerage Services Agreement entitled **SERVICES PROVIDED BY CURIAN CLEARING**, and the account documents relating to the DCA account option; and (d) compensation Clearing may receive from securities issuers for forwarding and processing their proxies, as described in the section of this Brochure entitled **PROXY VOTING**. You should, in assessing the reasonableness of our compensation, take into account this indirect compensation, as well as our direct compensation. Any indirect compensation described in clauses (a) and (b) above will be offset against your Total Program Fee. It is expected that any indirect compensation described in (d) will be used to compensate Broadridge Financial Solutions, Inc. ("Broadridge"), for services relating to forwarding and processing of proxies, as described in the section of this Brochure entitled **PROXY VOTING**.

6. Under the Program, no compensation is paid among Curian Capital, Clearing, and/or any of their respective affiliates and subcontractors that is set on a transaction basis or charged directly against your Program account.
7. The compensation that Curian Capital, Clearing, and their respective affiliates and subcontractors expect to receive in connection with the termination of your participation in the Program consists of a \$75 account termination fee, as describe in the sections of this Brochure entitled **TOTAL PROGRAM FEE**, and the sections of your Brokerage Services Agreement entitled **SERVICES PROVIDED BY CURIAN CLEARING** and **TRANFERRING FUNDS; CLOSING OR TRANSFER OF YOUR PROGRAM ACCOUNT: TERMINATION OF THIS AGREEMENT**.
8. Neither Curian Capital, Clearing, nor any of their respective affiliates or subcontractors provides recordkeeping services under the Program.
9. If there is any change to information described in paragraphs (1) through (8) above, as disclosed in this Brochure, you will be notified of such change within sixty (60) days from the date on which Curian Capital or Clearing learns of the change.
10. Curian Capital will, upon the reasonable request of your independent plan fiduciary or plan administrator, furnish any other information relating to the compensation received in connection with the furnishing of services under the Program that is required for you to comply with the reporting and disclosure requirements of Title 1 of ERISA and the regulations, forms, and schedules issued thereunder.

#### **TOTAL PROGRAM FEE**

Clients are charged a Total Program Fee for assets invested in the Program that consists of two parts: the Curian Fee and the Financial Professional Fee. The Curian Fee encompasses: (a) certain of the services provided by us for the Program; (b) services provided by our Asset Management Group and the third party managers in managing their respective strategies; and (c) Clearing's costs associated with securities transaction execution, clearing, and custody services on Program account assets, except with respect to unsolicited trades, and assets held in the DCA program account. Curian Capital or Clearing may waive any of their fees or negotiate custom fee arrangements in their sole discretion.

The tables below show the standard amount of the Curian Fee to be paid on an annual basis and collected as part of the Total Program Fee. The Curian Fee will vary based on the type of investment model and amount of assets invested in the account. The Financial Professional Fee is paid to the Financial Professional by us from client assets for introducing clients and providing administrative services while the client remains in the Program. This fee is negotiated separately between the client and the Financial Professional and will not exceed 1.50% on an annual basis. A separate discussion of the Financial Professional Fee and the two methods for paying this fee to Financial Professionals is set forth below in the **FINANCIAL PROFESSIONAL FEE** section and in the Financial Professional Disclosure Statement.

**Tiered Fee Schedule effective January 22, 2013 for Accounts Opened on or after January 19, 2010** – The following fees apply effective January 22, 2013 to any accounts you open on or after January 19, 2010 (or if you elect to convert a previously opened account to this fee structure). Curian Capital and Curian Clearing may waive any of their fees or negotiate custom fee arrangements in their sole discretion. The fee tables below do not include the Financial Professional Fee portion of the Total Program Fee. The schedule applicable to any CMP Program Account will be based on when you opened your corresponding CSP Program Account (i.e., if you open a CMP Program Account after January 19, 2010 that corresponds to a CSP Program Account opened before January 19, 2010, the fee schedule set out in Section II below would apply to both Accounts unless you convert both Accounts to the tiered fee schedule).

## **Custom Portfolios**

<b>Tier</b>	<b>From</b>	<b>Up To</b>	<b>Moderate to Maximum Growth<sup>1</sup></b>	<b>Conservative to Moderate Conservative<sup>2</sup></b>	<b>Very Conservative</b>
First \$99,999	-	\$99,999	1.25%	1.15%	0.70%
Next \$150,000	\$100,000	\$249,999	1.15%	1.05%	0.70%
Next \$250,000	\$250,000	\$499,999	1.05%	0.95%	0.55%
Next \$500,000	\$500,000	\$999,999	0.95%	0.90%	0.50%
Next \$1 Million	\$1,000,000	\$1,999,999	0.84%	0.79%	0.36%
Next \$3 Million	\$2,000,000	\$4,999,999	0.74%	0.69%	0.33%
Above \$5 Million	\$5,000,000	-	0.64%	0.59%	0.30%

Fee Calculations are based on a tiered schedule.

Example: An \$800,000 Moderate Growth account will pay the Curian Fee as follows: 1.25% on the first \$99,999; 1.15% on the next \$150,000; 1.05% on the next \$250,000; and 0.95% on the remaining \$300,001.

<sup>1</sup> Applies to Tactical Advantage, Dynamic Risk Advantage, Alternative Select, and Enhanced Real Return Strategies as well as all Research Select Strategies except (a) Maximize Income and (b) Maximize Income with Risk Control or Risk and Inflation Control.

<sup>2</sup> Applies to the following Research Select Strategies: (a) Maximize Income, and (b) Maximize Income with Risk Control or Risk and Inflation Control.

In addition, Clearing may charge a \$250 custodial set-up fee at account opening on accounts valued less than \$100,000 (which may also be charged as an account conversion fee on accounts converting to this tiered fee structure) and an account termination fee of \$75 under your Brokerage Services Agreement. Clearing may also impose transaction charges for certain transactions initiated by you, as set forth in that agreement.

## **Select Portfolios**

<b>Tier</b>	<b>Advisory Fee</b>	<b>Clearing and Custody Fee</b>	<b>Total Curian Fee</b>
All Asset Levels	0.25%	0.40%	0.65%

In addition, Clearing may charge an account termination fee of \$75 under your Brokerage Services Agreement. Clearing may also impose transaction charges for certain transactions initiated by you, as set forth in that agreement.

## **Cash Management Program (CMP) Account Options<sup>1</sup>**

<b>Tier</b>	<b>From</b>	<b>Up To</b>	<b>FDIC-Insured MMDA Program</b>	<b>Reich &amp; Tang Insured Deposits Program</b>
First \$99,999	-	\$99,999	0.70%	0.70%
Next \$150,000	\$100,000	\$249,999	0.70%	0.70%
Next \$250,000	\$250,000	\$499,999	0.55%	0.55%
Next \$500,000	\$500,000	\$999,999	0.50%	0.50%
Next \$1 Million	\$1,000,000	\$1,999,999	0.36%	0.36%
Next \$3 Million	\$2,000,000	\$4,999,999	0.33%	0.33%
Above \$5 Million	\$5,000,000	-	0.30%	0.30%

Fee Calculations are based on a tiered schedule.

Example: An \$800,000 FDIC-Insured account will pay the Curian Fee as follows: 0.70% on the first \$99,999; 0.70% on the next \$150,000; 0.55% on the next \$250,000; and 0.50% on the remaining \$300,001.

<sup>1</sup> The fees set forth in this table for the CMP account options represent the maximum amount of fees that Curian may charge for these account options. They do not necessarily reflect the fees that are currently being charged for the CMP account options. Curian may at any time in its sole discretion waive these fees in part or in whole.

The \$250 custodial set-up fee is waived by Clearing on Cash Management Program accounts, but an account termination fee on closed accounts may be charged by Clearing under your Brokerage Services Agreement.

**Breakpoint Fee Schedule for Accounts Opened Before January 19, 2010** – The following fees apply to any accounts you opened prior to January 19, 2010 (unless you elected to convert to the fee schedule described in the Tiered Fee Schedule above). Curian Capital or Clearing may waive any of their fees or negotiate custom fee arrangements in their sole discretion. The fee tables below do not include the Financial Professional Fee portion of the Total Program Fee. The schedule applicable to any CMP account will be based on when you opened your corresponding Custom Portfolio account (i.e., if you open a CMP account after January 19, 2010 that corresponds to a Custom Portfolio account opened before January 19, 2010, the fee schedule below would apply to both accounts unless you convert both accounts to the tiered fee schedule).

**Curian Fee by Investment Model and Client Assets Under Management**

ASSETS UNDER MANAGEMENT	MODERATE to MAXIMUM GROWTH PORTFOLIOS			MODERATE CONSERVATIVE PORTFOLIOS			CONSERVATIVE PORTFOLIOS			VERY CONSERVATIVE and CASH MANAGEMENT PROGRAM
	Active <sup>1, 2</sup>	Blend	Quant	Active <sup>1, 3</sup>	Blend	Quant	Active <sup>1, 4</sup>	Blend	Quant	
\$0 - \$99,999	1.49%	1.45%	1.40%	1.39%	1.35%	1.29%	1.05%	1.03%	1.00%	.70%
\$100,000 - \$249,999	1.45%	1.40%	1.35%	1.36%	1.31%	1.26%	.99%	.97%	.94%	.65%
\$250,000 - \$499,999	1.20%	1.15%	1.10%	1.16%	1.11%	1.06%	.85%	.83%	.80%	.55%
\$500,000 - \$749,999	1.10%	1.05%	1.00%	1.05%	1.00%	.95%	.80%	.78%	.75%	.48%
\$750,000 - \$999,999	1.00%	.95%	.90%	.95%	.90%	.85%	.70%	.68%	.65%	.45%
\$1,000,000 -	.90%	.85%	.80%	.87%	.82%	.77%	.65%	.63%	.60%	.42%
\$2,000,000 -	.80%	.75%	.70%	.77%	.72%	.67%	.55%	.53%	.50%	.39%
\$5,000,000 and above	.70%	.65%	.60%	.67%	.62%	.57%	.50%	.48%	.45%	.36%

Fee Calculations are based on a flat – not tiered – schedule for the three implementation strategies (Active, Blend, and Quantitative). In the Active category, clients may choose either an Active Core, Active Defensive or Active Income Implementation strategy. The fees are the same for each of these strategies.

Example: An \$800,000 Moderate account utilizing Active managers pays 1.00% in annual fees for program services, money manager fees, and the clearing and custody fees for the account. This does not include the Financial Professional Fee, which may be in an amount of up to 1.50% that will also be paid by the client through Curian as part of the Total Program Fee.

<sup>1</sup> Applies to Active – Core, Active – Defensive and Active – Income Implementation Strategies.

<sup>2</sup> Applies to Tactical Advantage, Dynamic Risk Advantage, Alternative Select, and Enhanced Real Return Strategies as well as all Research Select Strategies except (a) Maximize Income and (b) Maximize Income with Risk Control or Risk and Inflation Control.

<sup>3</sup> Applies to the following Research Select Strategies selected under the Moderate Conservative Portfolio Model: (a) Maximize Income, and (b) Maximize Income with Risk Control or Risk and Inflation Control.

<sup>4</sup> Applies to the following Research Select Strategies selected under the Conservative Portfolio Model: (a) Maximize Income, and (b) Maximize Income with Risk Control or Risk and Inflation Control.

Note that Clearing does not charge a custodial set-up fee or account termination fee under this fee structure, but may impose transaction charges for certain transactions initiated by you, as set forth in your Brokerage Services Agreement with Clearing.

**MUTUAL FUND AND ETF FEES AND EXPENSES**

To the extent that mutual funds, ETFs, or similar investment vehicles are used in managing your Program account, you are responsible for the fees and other expenses of these funds in addition to your Program Fees. You should review the prospectuses for these funds and investment vehicles for a description of the associated fees and expenses for which you are responsible. We will not use mutual funds that impose a front-end or contingent deferred sales load. The funds we use might impose fees pursuant to Rule 12b-1 under the Investment Company Act of 1940. Clearing or its affiliates, to the extent permitted by applicable law, may receive 12b-1 fees or other fees paid by mutual funds or their service providers. We will offset any such fees paid by such funds or their service providers against your Total Program Fee, thereby potentially lowering your Total Program Fee.

Clearing may use a third party clearing firm to process trades in mutual funds and may receive fees from this clearing firm for performing shareholder recordkeeping, communication and transactional services. Without limitation of the foregoing, Clearing has entered into an agreement with a third party clearing firm, pursuant to which Clearing will perform record maintenance, reporting, shareholder communications, and related transactional services in connection with the investment of Program assets in mutual funds offered on the third party clearing firm's platform ("Third Party Mutual Funds").

For these services, Clearing will receive a fee equal to 27 basis points (.27%) multiplied by the average daily value of the program assets invested in the Third Party Mutual Funds ("Third Party Clearing Firm Fee"), which shall be computed and paid by the third party clearing firm monthly in arrears. Clearing will rebate the Third Party Clearing Firm Fee it receives against your Total Program Fee to the extent your Model Portfolio is invested in Third Party Mutual Funds, thereby potentially lowering your Total Program Fee.

For the Custom Portfolios, we may, to the extent permitted by applicable law, use mutual funds that we manage in your Program account ("Curian Funds"). We may receive advisory and administration fees as the advisor and administrator of the Curian Funds. Prior to investing your Program account assets in the Curian Funds, we will provide you with a prospectus for the funds, which you should read carefully for a full description of the fees that we may charge as advisor and administrator to the Curian Funds, as well as the other expenses of the Curian Funds for which you would be responsible. Curian may retain administrative fees received as administrator of the Curian Funds. We currently waive the advisory and administrative fees charged for the Curian Funds for all clients. In addition, for Benefit Plan Clients, we will offset any subadvisory fees charged by the Curian Funds' subadvisors against your Total Program Fee.

If you do not want Curian Funds included in your Program account, you and your Financial Professional will have the opportunity during the Proposal Generation System process to opt-out. If you decide any time after your Program account has been established that you do not want Curian Funds included in your Program account, we can work with your Financial Professional to facilitate a change in your Program account.

### **ADDITIONAL FEE INFORMATION**

The Total Program Fee is assessed monthly in arrears and is based on the average daily market value of the assets in your Program account. This fee is due on the first day of the month following establishment of your Program account and will be deducted from your Program account after it becomes due. The day your fees are deducted may vary to accommodate trading activity that may be occurring in your Program account. If your Program account was invested or closed during a month, the Total Program Fee will be adjusted on a pro rata basis to reflect only those days in which you were invested. Within your Program account, a nominal percentage of your assets may be held in a designated ETF, bank product, mutual fund, or money market fund, in order to facilitate the payment of fees without redemption of your investments and the potential associated tax consequences. Depending on the amount of assets invested or maintained in the designated ETF, bank product, mutual fund, or money market fund, additional trading activity in your account may be required to enable payment of fees.

The Total Program Fee does not apply to securities that are not held in your Program account and are held separately as non-Program holdings in your Clearing brokerage account or in your DCA account. As described later in the section entitled **FEES FOR ADDITIONAL SERVICES**, you may be charged additional fees for services performed that are separate from those furnished in the management and administration of your Program account. The Total Program Fee does not include fees such as those imposed by the SEC, various state or local jurisdictions, account transfer fees, wire transfer fees, the costs and expenses associated with the temporary maintenance of your Program account in money market funds, bank products, account termination fees, special requests by you, or any internal management and operating fees or expenses imposed or incurred by ETFs, ADRs, and/or mutual funds in which your Program account may be invested.

Clearing currently uses a third party vendor to assist in valuing the securities in your Program account. In computing the fair market value of equity and ETF securities in your Program account, securities listed on national securities exchanges generally will be valued at their valuation date's closing price on the principal exchange on which they are traded. Mutual funds are valued based on the daily NAV received by Clearing from the issuer. In the event of a lack of availability of pricing information for securities or investments in your Program account, those securities or investments will be valued in a manner determined in good faith according to policies adopted to reflect fair market value.

In addition to our basic fee arrangements, we may negotiate separate advisory and service arrangements with Financial Professionals and their clients to accommodate their circumstances. This may include, but is not limited to, making certain modifications to particular asset classes in constructing a Model Portfolio; customizing a portfolio where the client has sufficient assets and special investment requirements; or lowering an account minimum. The fee paid in these separate arrangements is negotiable and is dependent on the nature of the advisory and servicing provided. It is not expected that the fees paid by the clients in these arrangements will exceed a maximum annual Total Program Fee of 2.99%.

### **FINANCIAL PROFESSIONAL FEE**

The Financial Professional Fee is a component of your Total Program Fee and is used, at least in part, to recoup the cost incurred by your Financial Professional and/or us in the introduction of your account and ongoing administrative services provided to you while you remain in the Program. Such services include, but are not necessarily limited to: introducing you to the Program; gathering and communicating to us your information as part of the Proposal Generation System process; acting as the liaison between you and us with regard to the delivery of certain forms and information; meeting

with you on a regular or periodic basis to confirm that your information on file with us remains accurate; and the performance of other administrative services related to your participation in the Program.

The amount of the Financial Professional Fee is separately negotiated by you with your Financial Professional at the time you establish your Program account and the agreed upon fee (not to exceed 1.50%) will be disclosed in the Financial Professional Disclosure Statement. You understand and acknowledge that the Financial Professional Fee charged to your Program account may be less favorable than the fees charged to other customers of your Financial Professional or other Financial Professionals, which may take into account factors such as the level of service provided, the volumes of business conducted, account size, and contractual terms and conditions. A Financial Professional may waive receipt of the Financial Professional Fee, in his or her sole discretion at any time.

When you establish your account, you will elect for your Financial Professional to be compensated under either the Level Fee Option or in advance under the Fee Advance Option. Under both the options, you will pay the Financial Professional Fee as part of your Total Program Fee while you remain in the Program. You should understand that the compensation your Financial Professional will receive, whether paid under the Level Fee Option or advanced under the Fee Advance Option, does not otherwise increase or alter the fees you pay for investment advisory services. The Level Fee Option and the Fee Advance Option are each explained below.

**Level Fee Option** – If you select the Level Fee Option, your Financial Professional will receive an amount equal to the Financial Professional Fee negotiated at the time of establishing your Program account. This is an annual fee that will be calculated and paid monthly in arrears based on the average daily market value of the invested assets in your Program Account. For example, assume a client will pay a 2% Total Program Fee on a \$100,000 account, which includes a 1% negotiated Financial Professional Fee and the market value of the Program account does not fluctuate in the first year. The client in this example will pay an annual Total Program Fee of \$2,000 in which the Financial Professional will receive a Financial Professional Fee of \$1,000. If you initially invest or close your account during a month, your Financial Professional Fee will be adjusted on a pro rata basis to reflect only those dates in which your account was invested.

**Fee Advance Option** – If you select the Fee Advance Option, you will pay the Financial Professional Fee negotiated at the time of establishing your Program account, as you would with the Level Fee Option. This is an annual fee that will be calculated and paid monthly in arrears based on the average daily market value of the invested assets in your Program account. If you initially invest or close your account during a month, the Financial Professional Fee will be adjusted to reflect only those days in which your account was invested.

The difference between the Level Fee and Fee Advance Option is that we will advance the Financial Professional Fee to the Financial Professional calculated as a percentage of your investment of new assets in your Program account. The advanced fee will be based on the market value of the new assets in the Program account at the time of investment, and will be determined by multiplying the Financial Professional Fee negotiated between the client and their Financial Professional by a factor established from time to time by us, which is currently 250%. In years two, three, and four the Financial Professional will receive an annual Financial Professional Fee of 50% of the negotiated rate paid on a monthly basis in arrears. After the fourth year anniversary date, your Financial Professional will receive 100% of the negotiated Financial Professional Fee on an annual basis. The schedule for advance of the Financial Professional Fee to your Financial Professional will be calculated separately for each investment of new assets into your Program account over the lifetime of your account.

If you withdraw your assets from the Program within four (4) years of investment, we will recoup the advanced fee paid to the Financial Professional by a chargeback against the Financial Professional in an amount equal to the advanced Financial Professional Fee on the deposit amount being withdrawn, multiplied by the following factor in each of the first four years following the date of deposit:

Year 1	100%
Year 2	60%
Year 3	40%
Year 4	20%

You may withdraw earnings in your Program account without a chargeback to the Financial Professional. Although the chargeback described above does not result in a charge to you, you should be aware that this chargeback schedule may create a conflict of interest for the Financial Professional, who may have an incentive to encourage you to keep your assets in the Program until this four year period has expired.

## **COST OF SOLICITOR PROGRAM COMPARED TO SEPARATE PURCHASE OF SERVICES**

We believe that if you paid separately for the investment advisory, brokerage, custody and other services you receive under the Program, the actual costs could vary from the Total Program Fee you pay depending upon such factors as, without limitation, the size of your Program account, the Model Portfolio you select, and the number of Program account transactions. All fee amounts and arrangements are negotiable and we may, in our sole discretion, waive any fee, whether on an ongoing or one-time basis. Comparable services may be available separately from other sources for fees lower or higher than those charged by us. At our discretion, we may provide discounts from the basic fee arrangement to our employees, employees of our parent and affiliates, and Financial Professionals that have entered into a Master Solicitation/Selling Agreement to introduce clients to the Program.

## **FEES FOR ADDITIONAL SERVICES**

You may also be charged non-standard service fees for services or activities separate from the management of your Program account or as a result of special requests such as wiring funds, overnight mailing services or other servicing expenses. These expenses will be charged to a client's account at the time of occurrence. Through your Financial Professional, a schedule of fees for services not covered by the Total Program Fee may be found on our website.

## **PAYMENTS TO FINANCIAL PROFESSIONALS AND FIRMS**

The Financial Professional's role is described in the Financial Professional Disclosure Statement, which is provided to you before you sign up for the Program. A portion or all of the Financial Professional Fee may be paid to your Financial Professional for certain administrative services provided on a continuous basis in obtaining and communicating to us information from you regarding your financial situation and investment objectives, updating us with respect to changes in your financial situation, recommending the Program to you, and the performance of other services related to your participation in the Program. A portion or the entire Financial Professional Fee may be paid directly to a third party, either at the direction of your Financial Professional or pursuant to a separate agreement. Since the compensation paid to a Financial Professional may be more than what the Financial Professional would receive if you participated in other investment advisory programs or than you would pay separately for investment advice, brokerage, and other services, the Financial Professional may have a financial incentive to recommend the Program over other investment advisory programs or services.

We may at our discretion enter into a marketing allowance arrangement or compensation arrangement, which would provide for a separate payment, from our own resources, to compensate a Financial Professional's firm and/or certain Financial Professionals for providing distribution and marketing assistance. Such arrangements would have no impact on the fees being charged to clients in the Program. Depending on the specific arrangement, we may, for example, choose to pay a firm an annual flat or level fee. We may also opt to pay a Financial Professional's firm a quarterly fee based on deposits or assets under management and/or some combination thereof. Thresholds and/or criteria of these arrangements are subject to change based on the opportunities presented and ability to expand our business platform. With respect to certain Financial Professionals, we may enter into arrangements to pay from our own resources additional compensation related to introducing clients to the Program for a defined period. We may reimburse Financial Professionals for certain qualified marketing expenses at an annual rate. We may also compensate our affiliates or registered representatives of our affiliates for business generated from referrals and marketing assistance from those representatives. We may also pay financial professional firms for data integration and reporting services tools for their representatives.

## **PROXY VOTING**

You have the right to vote all proxies and take all other actions with respect to securities held in your account. When you enter into the AMSA with us, you appoint us as your agent with discretionary authority to vote proxies with respect to securities in your account, unless you elect to retain the right to vote proxies. If you retain the right to vote proxies, we will notify Broadridge, with whom we have contracted to provide you with proxy voting information and coordinate the voting of your shares. The extent to which you may vote fractional shares may vary depending on the legal requirements applicable to specific issuers. We have adopted Proxy Voting Policies and Procedures ("Proxy Voting Procedures") that set forth the process we follow to seek to vote shares in the best interests of clients, and related Proxy Voting Guidelines ("Proxy Voting Guidelines") that provide general direction of how we will vote. Pursuant to the Proxy Voting Procedures, we may delegate the responsibility to review proxy proposals and make voting recommendations to an unaffiliated third party vendor. We may vote a proxy contrary to the vendor's recommendations or the Proxy Voting Guidelines if we determine that such action is in the best interests of our clients. You may obtain a copy of our Proxy Voting Procedures and Proxy Voting Guidelines by sending a written request to Curian Capital, LLC, Attn: Client Services Department, 7601 Technology Way, Denver, Colorado 80237, or by calling Curian Client Services toll-free at 1-877-847-4143.

Conflicts of interests relating to proxy proposals will be handled in various ways depending on the type and materiality. Generally, where the Proxy Voting Guidelines outline our voting position, as either "for" or "against" such proxy proposal, we will vote in accordance with the applicable guidelines. Where the Proxy Voting Guidelines provide us flexibility to vote on a "case by case" basis for such proxy proposal, or such proposal is not listed in the Proxy Voting Guidelines, we may choose either to vote the proxy in accordance with the voting recommendation of a non-affiliated third party vendor, or vote the proxy pursuant to client direction. The method we select will depend on the facts and circumstances of each situation and the requirements of applicable law.

In certain situations we may choose not to vote proxies such as: 1) where a client has retained the right to vote the proxy; 2) where we consider the cost of voting to exceed any anticipated benefits to the client; 3) where a proxy is received for a client account that has been terminated; 4) where a proxy is received for a security we no longer manage in the Program; and/or 5) where the exercise of voting rights could restrict the ability to freely trade the security.

In order to mitigate the potential conflict of interest of us voting proxies on funds that we manage, you will be sent all proxies for the Curian Funds to vote, regardless of whether you have delegated proxy voting authority to us. For those shares for which no voting instructions are received from a shareholder, we will vote the proxies on those shares in the same proportions as those shares for which voting instructions are received from other shareholders (sometimes referred to as "echo voting"). As a result, the vote of a small number of shareholders could determine the outcome of a proposal for the Curian Funds.

Pursuant to New York Stock Exchange ("NYSE") Rules 451 and 465 (available at <http://nyserules.nyse.com/nyse/>), the related provisions of Section 402.10 of the NYSE Listed Company Manual (available at <http://nysemanual.nyse.com/lcm/>), and Financial Industry Regulatory Authority ("FINRA") Rule 2251 (available at <http://finra.complinet.com/>), Clearing may collect fees from securities issuers, at the rates set forth therein, as reimbursements for the costs associated with forwarding and processing proxies for such issuers. Clearing has engaged Broadridge to forward and process proxy materials on its behalf, and to collect such fees from the securities issuers as its agent. The fees Broadridge receives as compensation for its services to Clearing are paid out of the fees it collects from securities issuers as Clearing's agent. If the aggregate amount of fees collected from securities issuers is less than the amount of servicing fees Clearing owes to Broadridge, Clearing will remit the balance to Broadridge upon being billed therefor by Broadridge. Clearing expects that on an annual basis the aggregate amount of services fees payable to Broadridge will be equal to or exceed the aggregate amount of fees that Broadridge collects as its agent from securities issuers.

In addition to the proxy voting information made available on Clearing's website, you may obtain information on how we voted proxies by sending a written request to Curian Capital, LLC, Attn: Compliance Department, 7601 Technology Way, Denver, Colorado 80237.

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

### **ESTABLISHING A PROGRAM ACCOUNT**

You will need to establish a securities brokerage account with Clearing to participate in the Program. Clearing is located at 7601 Technology Way, Denver, CO 80237. Clearing holds customers' securities in street name at the Depository Trust Company. Mutual fund investments are held at the fund. Customer cash that is not invested in securities or maintained in a money market fund is held in various bank accounts for the exclusive benefit of Clearing's customers. Clearing executes all Program transactions without the imposition of commissions, markups or markdowns. Clearing may charge a custodial set-up fee for accounts under certain asset levels, an account termination fee, as well as transaction charges for certain transactions initiated by you, as set forth in your Brokerage Services Agreement with Clearing. You will also need to execute the AMSA with us in order to participate in the Program. The AMSA outlines the Program, the services provided to you, and the terms and conditions governing your investment advisory relationship with us. By entering into the AMSA with us you grant us discretionary authority to initiate transactions for your Program account, as described in this Brochure and that agreement.

### **FUNDING YOUR ACCOUNT**

You have four choices to fund your account: (1) check, (2) wire, (3) an ACH ("Automated Clearing House") deposit, and (4) an ACAT ("Automated Customer Account Transfer Service") transfer. You may send a personal check from a U.S. bank account made payable to "Curian Clearing" or a wire transfer. If you open your account or make a contribution to an existing account with a check, you will not be able to withdraw or liquidate your account for ten calendar days following the date of deposit to provide for proper check clearance. You can also establish an ACH deposit by completing an ACH Deposit Authorization Agreement when you set up your account. This process may take up to 10 business days to complete before we are in a position to receive your deposit and invest you in the Program. Finally, you can fund your account by transferring assets from your existing brokerage firm and/or bank through the execution of an ACAT transaction to Clearing. Generally, ACATs are a full transfer and, in all cases, a transfer-in-kind of securities and cash. You should understand that all or a portion of these securities may be sold either at the initiation of or during the course of managing



your Model Portfolio and the resulting proceeds will be invested in your Program account, which may take up to ten (10) business days. Clearing may charge a commission on the sale of these transferred securities as set forth in your Brokerage Services Agreement. You should consult your tax advisor regarding the potential tax impact of this action. We will start to buy securities for your account once your funds and/or securities are converted and the proceeds are ready for investment.

We urge you to work closely with your Financial Professional and Curian Client Services to coordinate the funding and transfer of assets. The toll-free telephone number for reaching one of our representatives in Curian's Client Services is 1-877-847-4143. There are certain limitations as to the method for funding your account and/or securities that are acceptable as well as additional documentation which may be necessary to complete the funding or transfer. For example, we do not accept payment in the form of cash or cash equivalents. Through your Financial Professional you can review the FAQs in the Help section on Curian Capital's website for more information.

If you make a subsequent deposit into your existing Program account while your account is undergoing an account rebalance, update to model holdings as a result of investment decisions made by our Asset Management Group or third party managers, asset allocation change, or similar transaction, your deposit may not be invested in your Model Portfolio until such transaction is completed.

### **MINIMUM INVESTMENT**

We provide Program services when you make a minimum initial Program account investment of \$25,000. We may, however, waive this requirement depending upon your specific circumstances. If your Program account falls below \$25,000 due to personal withdrawals, expenses, or for other reasons, we will initiate a notification procedure to contact you and your Financial Professional to otherwise meet the minimum account threshold or liquidate your account.

You may make subsequent contributions or withdrawals to your Program account. Contributions of \$1,000 or more will be invested in the securities comprising your Program account. Amounts of \$15 to \$1,000 will be swept into a cash sweep vehicle. Amounts below \$15 will remain in cash in your Program account until they reach a cumulative value required for investment. Clients may make a withdrawal or arrange for periodic withdrawals in amounts of \$50 or more from their Program account. Withdrawal requests or changes to a client's Program account that are accomplished through a model change will require us to process securities orders. These transactions may take several days to complete.

In administering and servicing accounts in the Program, we and Clearing may grant certain investors reasonable exceptions concerning, but not limited to: (1) reduction in client fees attributed to related accounts (householding); (2) waiver of the account investment minimum; and (3) account and processing requirements.

### **WITHDRAWAL FROM THE PROGRAM**

You may terminate your participation in the Program upon written notice to us without penalty (although certain administrative fees may apply).

You are required to have a Financial Professional to participate in the Program. If your Financial Professional terminates his/her participation in the Program or you terminate your relationship with your Financial Professional, we will contact you to inform you of the change. You will have a reasonable amount of time to find a replacement Financial Professional. If you are unable to find a replacement, we have the right to terminate your participation in the Program.

### **TRANSFERS**

If you decide to liquidate your account and submit the appropriate documentation in good order Clearing will sell the securities in your account and send a check to you at your address of record. You will receive the market value of the securities in your Program account as of the date of liquidation. You can choose to wire the proceeds to your bank or credit union on receipt of a Medallion Signature Guarantee and the appropriate documentation in good order. Clearing will charge you a wire order fee for each bank wire withdrawal, which is in addition to any charges made by the bank for the receipt of the wire. The proceeds can also be sent through an established ACH link to the bank. If a link has not been established, you can complete an ACH Withdrawal Authorization Form to establish the link, which may take up to ten (10) business days. The transfer process cannot be initiated until the link has been established.

Your assets can also be transferred by executing an ACAT transaction to a brokerage firm and/or bank. This is normally accomplished by requesting the securities in your Program account to be liquidated and the proceeds, along with any cash in your account, to be sent via ACAT to the brokerage firm and/or bank. You can also request that a full transfer-in-kind of securities and cash be made to the brokerage firm and/or bank. In this case, Clearing will sell the non-transferable holdings as well as any fractional holdings in your account and transfer the remaining securities and cash in your account as instructed. Unless you plan to retain your securities positions upon a transfer in-kind, we recommend that you allow Clearing to sell your securities at no commission and transfer the proceeds. The sale and settlement of

securities in your Program account may take up to ten (10) business days after receipt of a request in good order. The price received in liquidating or redeeming these securities may vary as a result of interim market fluctuation from the time of receipt of your instructions and the disposition of your assets.

We urge you to work closely with your Financial Professional and Curian Client Services to coordinate the liquidation and transfer of any assets. This will help in reducing any delays and may avoid your incurring unwanted commissions related to any miscommunication of your instructions or those of a third party. The toll-free telephone number for reaching one of our representatives in Curian's Client Services is 1-877-847-4143.

## **ACCOUNT CORRECTIONS**

As in any business, mistakes will happen despite the good intentions of employees and the controls in place. We and Clearing endeavor to correct these mistakes in a timely manner with no material financial loss or harm to clients. Corrections and errors will be reviewed on a facts and circumstances basis. Clearing may temporarily have to acquire securities to facilitate the correction. In doing so, Clearing will have interim market exposure in which a gain or loss could be incurred depending on the circumstances. We and Clearing will compensate clients in these situations through crediting their advisory fees or making a direct payment to their account. To the extent permitted by applicable law, we may apply a per account materiality threshold in these situations.

## **TYPES OF CLIENTS**

With respect to the Program, we provide advisory services to clients which include but are not limited to: individuals, corporations, institutions, certain retirement plans and trusts. Certain account types may not be appropriate for the Program. If you or your Financial Professional has questions about whether your account type is appropriate for the Program, please contact Curian Client Services at 1-877-847-4143.

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

Our Asset Management Group manages the Model Portfolios and is the sole portfolio manager to the Program. The Asset Management Group is comprised of Curian Capital employees who are selected based on their experience and other relevant criteria. Third party managers are selected by our Investment Policy Group to assist with the management of certain investment strategies within the Model Portfolios. Our Investment Policy Group is primarily comprised of members of our Asset Management Group.

The Investment Policy Committee approves, monitors, and reviews performance of the investment strategies and the third party managers. Prior to recommending a new third party manager to the Investment Policy Committee, our Asset Management Group conducts a review of the proposed third party manager with assistance from our third party institutional consultant. Factors considered in the selection and ongoing review of the third party managers include, but are not limited to, performance, performance relative to peers and/or benchmark(s), investment style or process, portfolio characteristics, risk measures, and style trends. Our third party institutional consultant maintains a proprietary database and historical information regarding third party managers. Such information is made available to our Asset Management Group.

We may determine that a third party manager is no longer appropriate for inclusion in your Model Portfolio. We may replace a third party manager for a variety of reasons, including but not limited to performance measures relative to peers and benchmark(s), changes to key personnel, and/or changes to investment style or process. If we replace a third party manager included in your Model Portfolio, we will promptly notify your Financial Professional of such replacement.

As the Program's assets under management grow, we may contract with additional third party managers to assist with the management of the same or competing investment strategies as our current third party managers. As a result, one or more third party managers may assist with the management of an investment strategy that is included in your Model Portfolio, and the performance and holdings of your Model Portfolio may differ from a Model Portfolio that includes similar strategies managed by a different third party manager.

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

Your Financial Professional collects information about you and furnishes it to us, and we then make that information available to our Asset Management Group. No specific information about you is furnished to the third party managers responsible for assisting with the management of certain strategies used in your Model Portfolio.

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

Our Asset Management Group is available to you for consultations regarding any of the third party managers through our principal office at 7601 Technology Way, Denver, Colorado 80237, telephone 1-877-847-4192.

## **ITEM 9. ADDITIONAL INFORMATION**

### **DISCIPLINARY INFORMATION**

There are currently no legal or disciplinary events that are material to the evaluation by a client or prospective client of Curian's advisory business or the integrity of our management.

### **OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

We are an indirect, wholly owned subsidiary of Prudential plc, an international financial services group with operations in the United Kingdom, Europe, Asia, and the United States. We are affiliated by common ownership with a variety of financial services companies, including the following entities set forth below. Certain of our executive officers and directors also serve as officers and/or directors of these affiliated entities:

**Broker-Dealers** – National Planning Corporation ("NPC"), IFC Holdings, Inc. d/b/a INVEST Financial Corporation ("INVEST"), Investment Centers of America, Inc. ("ICA"), Curian Clearing LLC, and SII Investments, Inc. ("SII"), each is registered as a broker-dealer and/or an investment advisor with the SEC and various state securities agencies, and each is a member firm of FINRA.

Jackson National Life Distributors, LLC ("JNLD") is a broker-dealer registered with the SEC and member firm of FINRA. JNLD acts as principal underwriter of variable insurance products issued by Jackson National Life Insurance Company ("Jackson") and Jackson National Life Insurance Company of New York ("Jackson NY"). See also "Insurance Companies/Investment Companies" below.

**Insurance Companies/Investment Companies** – Jackson and Jackson NY issue variable annuity and life insurance products that are registered under the Investment Company Act of 1940, as amended. The separate accounts of Jackson and Jackson NY that issue variable products are similarly registered as investment companies.

Brooke Life Insurance Company is an insurance company offering traditional life insurance and annuity products.

**Investment Advisors** – NPC, INVEST, SII and ICA each is registered as an investment advisor with the SEC. Jackson National Asset Management, LLC ("JNAM") is also an investment advisor registered with the SEC. JNAM serves as investment advisor to: the JNL Series Trust, the JNL Investors Series Trust, the JNL Variable Fund, LLC, the JNL Variable Fund III, LLC, the JNL Variable Fund IV, LLC, and the JNL Variable Fund V, LLC and (with respect to Jackson NY) the JNLNY Variable Fund I, LLC, and the JNLNY Variable Fund II, LLC.

PPM America, Inc. ("PPM") is an investment advisor registered with the SEC. PPM serves as the investment manager for the general accounts of Jackson and Jackson NY and as a sub-advisor to certain series of the JNL Series Trust and JNL Investors Series Trust. M&G Investment Management Ltd. is also a registered investment advisor that offers advisory and investment management services to investors, institutions, trusts, and investment companies.

In August 2014, the "Jackson Advisory Group" ("JAG") was created by naming an Executive and a Deputy Executive in Charge for oversight of three advisers which are part of the larger group of UK Parent subsidiaries under Brooke Holdings, LLC, i.e. PPM America, Inc., Jackson National Asset Management, LLC, and Curian Capital, LLC (collectively, the "Advisers"). JAG is not a legally separate entity and will not provide investment advice to others. All three Advisers have different businesses but have assets under management related to Jackson's business, in addition to other asset management activities for other affiliates as well as non-affiliates. The Adviser continues to evaluate the implementation of JAG with respect to its activities.

### **POTENTIAL CONFLICTS OF INTEREST**

You should be aware there may exist certain conflicts of interest in our management, distribution, fees, and oversight of the Program. Certain of these conflicts may also apply to our third party managers and other related entities that support and receive compensation from the Program. We have certain administrative agreements with our parent, Jackson, to receive technological, administrative and financial support. The compensation paid to our parent under these agreements may increase accordingly as we continue to grow our business.

We manage certain strategies that utilize equities, ETFs, and mutual funds. We may use mutual funds that we manage in your Program account and may receive fees as adviser and administrator to these funds. In addition, we direct all brokerage transactions in the Program to our affiliate, Clearing, which provides securities settlement and custody for all of

our clients. These activities raise a potential conflict in that they may represent a financial incentive to use our affiliates rather than unrelated entities to provide these services. We recognize this implication and our responsibility to oversee these activities in the same manner as we oversee the third party managers in the Program.

Third party managers may also have a conflict as a result of assisting with management of similar strategies and making competing investment and trading recommendations for other clients involving the same securities held in the Program. They may also have business relationship or relationships with issuers, which might influence their decision to include and trade such securities in a strategy. Third party managers that manage similar strategies for clients are not constrained to acquire, hold and sell the same security for all of their clients. They may have already commenced trading before we have received or had the opportunity to act on their recommendations. In this circumstance, trades ultimately placed for you may be subject to price movements (particularly in the case of illiquid securities or large orders) that may result in you receiving prices which are less favorable than those obtained by the third party manager for its client accounts. On the other hand, we may initiate trading based on the third party manager's investment decisions before or at the same time the third party manager is also trading for its clients. This may result in potential differences and/or dispersion in the performance of the third party manager's client accounts compared to the results obtained in the Program.

Clearing may receive shareholder servicing, 12b-1 or similar fees with respect to mutual funds used in your Program account. These fees will be rebated to you, thereby mitigating any potential conflict of interest.

We enter into Marketing Solicitation/Selling Agreements with affiliated and unaffiliated Financial Professionals to introduce clients to the Program. Our parent and other related entities may have similar arrangements with these entities and other third party managers to concurrently promote the distribution of proprietary or other investment products including, mutual funds, managed accounts, variable annuities, and other alternative products. These arrangements may or may not necessarily result in additional assets under management or result in a direct or indirect benefit to us.

## **OTHER BUSINESS ACTIVITIES**

Certain of our officers and directors also serve in executive and/or management roles with financial services companies that are affiliated or under common control with us. Although the amount of their time spent on behalf of the other companies varies, these officers devote sufficient time and attention to properly supervise and manage our investment advisory activities and Program services.

We may modify or add different types of investments to the Program to strengthen the financial capability of our investment platform and meet the ever-changing needs of our investors. Accordingly, we may enter into arrangements with other affiliated and/or unaffiliated entities to make certain investment products or asset classes (i.e., mutual funds, insurance, variable annuities, etc.) available to clients that supplement or complement the Program. In doing so, our affiliates or we, may receive compensation either directly or indirectly from these arrangements. With regard to such activities, the nature of these arrangements, compensation received, and any affiliation for such products will be fully disclosed to investors interested in such products.

Certain of our management persons are registered representatives of Curian Clearing, a SEC-registered broker-dealer. We are registered as a "Commodity Pool Operator" with the U.S. Commodity Futures Trading Commission and are a member firm of the National Futures Association.

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

We have implemented procedures aimed at ensuring that employee and client transactions do not create a conflict of interest. Our Code of Ethics, which we can provide you upon request, governs the professional conduct and personal securities trading of all officers, directors and employees of our firm. We require all supervised persons to obtain prior approval on transactions involving initial public offerings and private placements. Persons in our Asset Management Group and other individuals having access to investment and trading information as a regular part of their job must obtain prior approval on all non-exempt personal transactions in which they are a beneficial owner. We also receive duplicate brokerage confirmations and statements from their brokers to assist us in monitoring personal transactions to prohibit insider trading and ensure compliance with our Code of Ethics.

## **REVIEW OF ACCOUNTS**

We will review your Program account no less than quarterly for alignment with your Model Portfolio's asset weightings. At a minimum, Custom Portfolios will be rebalanced annually or semi-annually (depending on your selection) and Select Portfolios will be rebalanced annually. Significant dispersion may occur between the holdings and performance of a third party manager's portfolio and the corresponding strategy managed by us. We will undertake reasonable efforts to mitigate the effects of dispersion by (i) periodically reviewing and monitoring Program accounts to identify significant dispersion, and (ii) where appropriate, placing trades or implementing account rebalances. We may rebalance the asset weightings of your Model Portfolio for several reasons including, but not limited to, deviations from target asset weightings and dispersion; in

response to a change to a third party manager; your use of the tax harvesting feature; a change to your selection of social exclusion categories or your restrictions on securities; or your request to change the allocation of your Model Portfolio. Account dispersion may be due to differences in account size, cash flow, the timing and terms of execution of trades by Clearing, and account level restrictions and exclusions.

Clearing will deliver a monthly statement to you and your Financial Professional that includes: (1) detail of your account activity during the month (including account holdings, contributions, withdrawals, and the value of your account at the beginning and end of the month); and (2) a statement detailing all fees and expenses payable by you for the subsequent month. We will deliver a quarterly statement to you and your Financial Professional that may include: (1) asset allocation of the account; (2) growth and performance of the account over various time periods; and (3) growth and performance of the account relative to benchmark(s) selected by us. The performance of your account will be shown net of fees and calculated on a time weighted basis.

At least quarterly, we request that you provide any necessary updates to the information on file with us regarding your account. Your Financial Professional is obligated to contact you at least annually to verify your financial information and any new or updated information regarding your financial situation, objectives, or other information that may be reasonably expected to affect our advice concerning your account, including whether you wish to impose or modify any restrictions on your Program account.

For Benefit Plan Clients, your Financial Professional is obligated to contact the plan's representative(s) at least annually to verify that the plan's financial circumstances have not materially changed and that the Model Portfolio (including any applicable restrictions and/or modifications), previously chosen, remains consistent with the plan's funding goals.

We encourage you to compare your account information, such as account values contained in the performance reports, to those set out in the monthly statements provided by Clearing.

Unless you instruct us otherwise, all reports are distributed electronically to the e-mail address you specify, at no additional charge. Hard copy mailing of these reports is available for an annual fee. The paper delivery fee is currently \$250 per year (billed monthly) and we may increase it from time to time so that we can recover our costs in providing these reports.

### **CLIENT REFERRALS AND OTHER COMPENSATION**

Financial Professionals are compensated for referring you to the Program. More information about the compensation paid is available above, in the section titled **FINANCIAL PROFESSIONAL FEES**.

## **PRIVACY POLICY**

Preserving trust is a core value of Curian Capital, Clearing, and our affiliates. We recognize that you expect us to protect information you provide us and to use it responsibly while you are our client and after you cease to be our client. We are strongly committed to fulfilling the trust that is the foundation of your expectations. For that reason, we have adopted and adhere to the following policy regarding the privacy of your personal information.

## **INFORMATION THAT WE COLLECT**

We collect nonpublic personal information about you that may include your social security number, your bank account number, and other financial account information from some or all of the following sources:

- Information we receive from you on the new account forms, fact-finding questionnaires, and product applications;
- Your transactions with us, our affiliates, and those product sponsors with whom we have vendor or services agreements, or other arrangements for the provision of services to you;
- Consumer reporting agencies; and
- Affiliated or unaffiliated product sponsors with whom we have selling relationships and whose products you own.

## **INFORMATION THAT WE DISCLOSE**

We will not share nonpublic personal information concerning our current or former customers with affiliated or unaffiliated third parties, except as permitted by law. In accordance with the foregoing, we may disclose the information we collect to companies who help us maintain and service your Program account. In addition, we may share this information to protect against fraud or to respond to subpoenas. To the extent permitted by law, we may disclose to either affiliated or unaffiliated third parties, any nonpublic personal information that we collect, as identified above.

Generally, we disclose the information listed above to affiliates and unaffiliated third parties that provide services to us in order that we may more effectively and efficiently service your account. We also disclose your nonpublic personal information to affiliated or unaffiliated third parties with whom we have contractual relationships that allow us to provide the products or services that you have requested. Examples of third parties with whom we may share your nonpublic personal information include:

- Mutual fund companies, insurance companies, and other product sponsors to effect purchases and sales and allow for servicing of your account;
- The broker-dealer through whom we execute your equity and fixed income transactions;
- Clearing agencies through which we clear and settle securities transactions;
- Third party investment advisory firms with whom we have relationships for the management of customer advisory accounts;
- Banks and other financial institutions with which we have arrangements for the marketing and sale of our products and services; and
- Companies that provide services to us to assist with the maintenance of required books and records, or to facilitate mailings on our behalf.

Where we share your nonpublic personal information with third parties for the purposes noted above, we ensure that there are contractual restrictions on their use and disclosure of that information.

## **STEPS WE TAKE TO PROTECT YOUR INFORMATION**

We have security practices and procedures in place to prevent unauthorized use or access to your nonpublic personal information. Internally, your information is only available to those employees requiring access to process or service your transactions with us, and those employees fulfilling compliance, legal, or audit functions on our behalf. In order to prevent access by unauthorized personnel, we employ other physical, electronic, and procedural safeguards to ensure that protection of your information is in accordance with state and federal privacy regulations.